HE EMPIRE ON THE ANVIL

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THE EMPIRE ON THE ANVIL

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THE EMPIRE ON THE ANVIL

Being Suggestions and Data for the Future Government of the British Empire

BY

W. BASIL WORSFOLD

WITH A PREFACE BY

LORD SYDENHAM OF COMBE

G.C.S.I., G.C.M.G., G.C.I.E., F.R.S.

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The Empire seems to us something greater than it was a year ago. When mighty armies from the Dominions and Dependencies arrayed themselves in battle line a new and impressive epoch in its history was marked. These pregnant events have already given birth to a new order. It is realised that great policies and questions which concern and govern the issues of peace and war cannot in future be assumed by the people of the British Islands alone.—Sir ROBERT BORDEN at New York, December 22nd, 1915

PREFACE

"*In the creation of the British Empire, design has been conspicuously absent. The process has followed the general laws of evolution. Here and there a great statesman may have marked and sought to guide the swift onward progress, or may have pondered as to how the inevitable requirements of the future were to be met. Great wars have forcibly directed attention to the strategic importance of particular points, and have left their impress upon the national policy; but the lessons were not all applied, and the readjustments, which followed on long contests in which Great Britain played a leading part, do not always show either clear purpose or adequate foresight. The incentive to expansion appears to have been supplied mainly by commercial rivalry, impelling forward a race which cherishes a strong aversion to militarism. It is natural that questions of Imperial defence should have been neglected.*" *

With these words, written nineteen years ago, I prefaced an attempt to draw serious attention to the urgent need of the organisation of the Empire for the purposes of Imperial defence. For more than thirty years, this problem has always been

* "Imperial Defence," 1897.

foremost in my mind as the wealth and resources of the Empire rapidly developed with a corresponding increase of its burdens, responsibilities and dangers. Many writers and thinkers, realising the lack of effective co-operation and the growing risk of divergences of policy among scattered communities linked only by the sea and working out their destinies in differing conditions, have earnestly sought to find a permanent solution. Meanwhile Colonies grew into powerful and progressive dominions preoccupied with their domestic affairs, and the Motherland, similarly engrossed, has not found time or opportunity to give careful consideration to constructive statesmanship in the higher plane of Imperial affairs. Between 1853 and 1893, all the larger Colonies were invested with responsible government; but this wise policy, described by Mr. Gladstone as "a specific alike for the relief of the Mother Country, the masculine and vigorous well-being of the Dependency, and the integrity of the Empire," was not conceived with any idea of federal developments in the future. There was a time when "the relief of the Mother Country" seems to have been the predominant consideration, and it was widely believed, without misgiving, that the Colonies, once started on a career of self-government, would gradually drift into the position of independent States. This dangerous theory was soon to be abandoned and replaced by Imperial ideals, vaguely understood

by the masses, but gathering strength with improved intercommunications and the growing recognition of essential mutual interests. The military assistance, freely offered in the Sudan in 1885 and in South Africa in 1899—1902, supplied an object lesson alike of the strong sentiment of our fellow subjects overseas and of their military spirit, which powerfully appealed to the public imagination. Thus, in the years before the bursting of the storm, forces have come into play which have worked in the direction of closer political interchange and of tentative organisation for defence. Other forces of local origin have brought about the federation of two important groups of contiguous Colonies and may have helped to disseminate the federal idea.

In Part I. of his very interesting and opportune book, Mr. Worsfold deals with the work so far accomplished, beginning with the foundation of the Imperial Federation League in 1884 and ending with the Imperial Conference of 1911. He is able to show that, in some directions, there were advances although the *non possumus* of H.M. Government in regard to change in the fiscal system of the United Kingdom barred "all really effective progress towards organic unity." In matters of defence more had been accomplished than is generally known. The Colonial Defence Committee, appointed in 1885, was able to do much quiet work before it became merged in the Committee of

Imperial Defence after 1904, and the organisation for defence of the ports of the Empire was carried as far as the conditions permitted. The admission of representatives of the Dominions to the deliberations of the latter Committee marked a further step in the direction of joint counsels in relation to this most important question. More work of several kinds remained to be done ; but it may fairly be said that, when war was forced upon the Empire the standard of preparation, within the limits of force determined by the respective Governments, was incomparably superior to anything that existed at the time of the war scare of 1885. And if in 1912, when it was made clear to H.M. Government that war was near at hand, the peril had been frankly faced, machinery existed which, properly turned to account, might have materially altered the position in which the Empire found itself in August, 1914.

Mr. Worsfold very wisely does not seek to minimise the difficulties which must be surmounted in the effort to reach such a measure of political and economic union as will for ever avert the tremendous risks which we have run in the past, and will guarantee the fullest future development of the resources of the Empire in the shared interests of all its members. These difficulties might have proved insuperable if the British people had not passed into the furnace of war, by which not only has national sentiment been stirred to its depths, but new ideals, hopes and inspirations have

emerged from the dross of party politics and of local interests. The number of persons who have come to regard the Empire as a whole with high destinies which can be realised only by an organised union of effort has vastly increased as the result of this new outlook. Thus the constructive proposals which occupy a large portion of Mr. Worsfold's book will appeal to his readers not as attractive theories, but as thoughtful contributions to the solution of problems which have now become real and urgent. As he points out, there are two possible courses—"the development of existing institutions and the creation of a new Imperial authority"—each of which has its advantages and drawbacks. "The first is obviously the line of least resistance . . . and the goal would be attained—if attained at all—by the normal progress of the British Constitution." It is the course which we seemed to be following before the war, and which, but for the war, might have been inevitable. I agree with Mr. Worsfold that it could never have secured the fulfilment of the manifest needs of the Empire, that its slow evolution might have led to an increased activity of disruptive forces, and that it would be unworthy of a great people ennobled in the cleansing fires of a war in which they have sacrificed their best for a sacred common cause.

I will not attempt to examine the Federal constitution which the author propounds, or to minimise the difficulties which he details. Sacrifices, differing

in kind, must be accepted by the Mother Country and the Dominions alike, while the cases of India and Egypt complicate the problem. It would, in my view, be impossible not to make special provision for the one third of India governed by the protected Princes and Chiefs who have made splendid contributions of men and treasure to help the Empire in the time of danger.

Constitution framing is a fascinating pursuit; but no practical results can be reached without the agency of a Convention in which the constructive statesmanship of the whole Empire can be brought into co-operation. This method has proved unexpectedly successful in Australia and South Africa. It is impossible not to believe that it would succeed on the higher plane of Imperial affairs. As I have said, some of the obstacles which loomed large in the imagination of the pioneers of Imperial Federation have now disappeared. Between the mildly philosophical aspirations expressed at Conferences and the clear and direct invocation of Mr. Hughes, there is a startling intellectual difference.

"Let us," he said on March 15, "resolutely putting aside all considerations of party, class and doctrine, without delay proceed to devise a policy for the British Empire, a policy which shall cover every phase of our national, economic and social life; which shall develop the tremendous resources and yet be compatible with those ideas of liberty and

justice for which our ancestors fought and died, and for which the men of our race now, in this, the greatest of all wars, are fighting and dying in a fashion worthy of their breeding. Let us no longer pursue a policy of drift, but set sail upon a definite course as becomes a mighty nation to which has been entrusted the destiny of one-fourth of the whole human race."

If this is indeed the clarion call from the Dominions, it should meet with a full-toned response from every patriot at home. Only by organic unity, which will not only guarantee our liberties, but will secure the economic development of our vast Imperial resources for the welfare of all classes and peoples under the flag, can the losses, sorrows and sufferings that the war has brought be redeemed and sanctified. We have paid the price of union in blood and treasure. If we now fail to achieve it, the tragedy of our Empire will be written upon the pages of history.

"Occidit, occidit,
Spes omnis et fortuna nostri
Nominis. . . ."

SYDENHAM.

April 2, 1916.

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NOTE.—*The account of the work of the Imperial Federation League, given in Chap. II. of Part I., originally appeared in "United Empire," the journal of the Royal Colonial Institute, and is now reprinted by the kind permission of the editors of that journal (Sir Harry Wilson and Mr. H. T. Montague Bell).*

PART I

THE APPLICATION OF THE FEDERAL (OR DUAL) SYSTEM TO THE BRITISH EMPIRE

THE EMPIRE ON THE ANVIL

CHAPTER I

The Problem Stated

The success which attended the common action of the German States in the war against France in 1870–71 led directly to their union in a federal system under the headship of Prussia. The creation of the (modern) German Empire in 1871 was followed by the adoption by the allied cantons of Switzerland, in 1874, of a federal constitution for the purpose of "preserving and promoting the unity, power and honour of the Swiss nation"; and itself followed the union of the chief British Colonies of North America, as the Dominion of Canada, under the federal constitution of 1867. Thus in the decade 1865–75 federation was "in the air," and it was at this period that (with one exception *)

* An article was published by the late Sir John Robinson in the (long since defunct) *Westminster Review* some years before this date. Sir John lived to represent Natal as her (first) Premier in the Colonial Conference of 1887.

tentative proposals for the application of the federal principle of government to the British Empire first made their appearance in the reviews and other organs of public opinion. The importance of these proposals was emphasised by a striking assertion of the inadequacy of the administrative relations then (and now) existing between the Mother Country and the Colonies, which was made by Lord Beaconsfield at the Crystal Palace in 1872.

"I cannot conceive," he said, "how our distant Colonies can have their affairs administered except by self-government. But self-government, in my opinion, when it was conceded, ought to have been conceded as part of a great policy of Imperial consolidation. It ought to have been accompanied by an Imperial Tariff, by securities for the people of England for the enjoyment of the unappropriated lands, which belonged to the Sovereign as their Trustee, and by a Military Code which should have precisely defined the means and the responsibilities by which the Colonies should be defended, and by which, if necessary, this country should call for aid from the Colonies themselves. It ought, further, to have been accompanied by the institution of some representative council in the metropolis which would have brought the Colonies into constant and continuous relations with the Home Government. All this, however, was omitted, because those who advised that policy—and I believe their convictions were sincere—looked upon the Colonies of England, looked upon our connection with India, as a burden upon this country, viewing everything in a financial aspect and totally passing by those moral and

political considerations which make nations great, and by the influence of which alone men are distinguished from animals."

The rapid industrial development and the growing international *prestige* of the united Germany drew the minds of statesmen increasingly to the subject of Imperial unity during the next decade; and in 1884 an organised endeavour to federalise the British Empire was set on foot by the foundation of the Imperial Federation League. During the thirty years that have passed since this event there has been a gradual and tentative improvement in the administrative relations of the Home and Oversea British; but the possibility of the grand act of constructive statesmanship, by which alone an adequate instrument of organic unity can be produced, has never yet been put to the test. To-day, however, the impulse required to bring the British race to the necessary pitch of high endeavour and mutual sacrifice has been provided by the ordeal of the common defence of the Empire against the arms of a powerful and ambitious aggressor; and whether the problem of Imperial unity is, or is not, to be solved, it can scarcely be expected that a concurrence of circumstances so favourable to its solution, as that which will be presented in the months or years following the declaration of peace, will soon arise again. The salient difficulties which stood in the way of an application of the federal principle to the British Empire thirty years ago

have to be met and overcome now; but the spirit in which they can be approached is a new and altogether different spirit. For the economic conditions and the political beliefs and opinions, which have constituted hitherto the main obstacles to union, have been greatly modified during the period of the war; and some of them have been altogether obliterated.

Nevertheless, in spite both of the institution of certain agencies for the administrative co-operation of the Home and Oversea British prior to the war, and of the moral and economic advances towards union, due directly to the war itself, the problem, as a constitutional problem, remains in its essence what it was in 1884.

The British Empire is a highly composite maritime Power consisting of the British Isles and the vast Oversea territories acquired partly by conquest and partly by peaceable occupation which own allegiance to the British Crown. At the outbreak of the war * it had an area of 11,273,000 square miles and a population of 417,268,000—being respectively one-fifth of the total area and one-fourth of the total population of the world. The annual value of its inter-Imperial trade was £551,527,000 and that of its foreign trade £1,557,159,000—a total seaborne trade of £2,108,686,000; its foreign trade

* *I.e.*, on a basis of the returns for the year 1913 as given in the "Statistical Abstract for the British Empire," published in 1915. Egypt and the Sudan are not included. The population is that shown by the census of 1911.

alone exceeding in value that of Germany and the United States respectively by (approximately) 60 and 90 per cent.

The table on pp. 8 and 9 shows how these totals are distributed between the main components of the Empire.

It is obvious that the 45,000,000 people of the United Kingdom cannot expect always to govern as a sovereign State the remaining 370,000,000 people of the Empire, especially when these latter are composed of populations of such varied character and dwell in countries so widely separated from the British Isles and from one another. The fact has been recognised from the time when almost all the early British Colonies, now the United States of America, declared their independence (1773); and during the nineteenth century British statesmen have pursued the wise policy of granting from time to time to each Colony or Dependency a measure of self-government adapted to the character of its population, and increasing with its economic and political development. These successive delegations of the powers of the sovereign State have created a number of subsidiary Governments throughout the Empire, all alike deriving their powers from the Crown and Parliament of the United Kingdom, and performing in respect of the several communities whose affairs they respectively administer more or less of the functions which the Government of the United Kingdom performs in

—	Area in 1913 (Square Miles).		Population
United Kingdom . .		121,142	
The Self-Governing Dominions:			
Canada . . .	3,729,665		7,204,538
Australia . . .	2,974,581		4,455,005
South Africa . .	473,184		1,278,242 (white)
New Zealand . .	104,751		1,008,468
Newfoundland . .	42,734		238,670
		7,324,914	
India		1,802,112	
Crown Colonies and Protectorates, etc., in Europe, Asia, Africa, and America		2,024,832	
True Totals . .		11,273,000	

in 1911.	Trade in 1913.		
	Foreign (Million £).	Inter-Imperial (Million £).	
		Between the United Kingdom and the Rest of the Empire.	Between other Parts of the Empire.
45,221,615	1,067·2	472·3	
	148·5	60·3	
	64·0	76·7	
	18·0	74·0	
	5·5	32·5	
	2·9	1·9	
14,177,223	——238·9	——245·7	(approx.) 35·0
315,086,372	159·5	143·0	„ 10·0
42,782,777	91·4	83·6	„ 34·0
417,267,987	£1,557,159,000	£472,465,000	£79,062,000
		£551,527,000	
	£2,108,686,000		

administering the national affairs of the British Isles. But since in no case has the power to make peace or war, or to lay and levy taxes for the maintenance of the Imperial services, or to make laws for the " peace, order, and good government " of the Empire as a whole been delegated, it follows that all these powers—the powers necessary to a Government for the performance of its supreme duties — remain in the Crown and Parliament and ultimately in the electorate of the United Kingdom.

The United Kingdom, therefore, remains the sovereign State of the British Empire, and with the growth of the Empire its Parliament has become increasingly engrossed in the administration of Imperial as against State affairs. As, moreover, up to the present * it has not divested itself of any of its duties of State administration, it has to perform the duties of an Imperial Parliament, while it retains the structure, and performs the duties, of a State Parliament. Nor is this all. Although it has neglected to divest itself of any of its State duties, it has divested itself of some of the powers necessary for the proper performance of its Imperial duties. As the result of this the United Kingdom Parliament is hindered in the performance of its State duties by the time and attention which it

* The Home Rule Act, if, and when, put into effect, will relieve the United Kingdom Parliament of a great part of the administration of Ireland.

must give to Imperial affairs, while at the same time it is defective as an Imperial organ both in its structure and in its powers.

Its structure is imperfect, since its membership does not include representatives of any of the Oversea countries—not even of those whose populations are of the same race as the people of the United Kingdom. Its powers are deficient, since, while it has to vote supplies for the Army and Navy and other Imperial services, it has never taken power to lay and levy taxes for these services outside the United Kingdom; and the most it can do is to exact a contribution indirectly from the countries whose Governments are controlled by the India, Colonial, and Foreign Offices—departments the heads of which, like other Ministers, are responsible to it for their conduct of affairs.

The system under which the Empire is now governed places, therefore, both the Home and the Oversea British in an anomalous position. The people of the United Kingdom, although they constitute only three-fourths of the white population of the Empire, bear, with slight exceptions, the entire cost of the Imperial services; the white population of the Dominions, although it constitutes already one-fourth of the white population of the Empire, occupies areas sixty times as great as that of the British Isles, and is growing both in numbers and wealth far more rapidly than the population of the United Kingdom, sends no representatives to the

Imperial Parliament, and has no direct and effective share in the administration of the Empire. It follows, therefore, that in questions of peace and war, and in all questions the power to decide which is the mark of a sovereign State, the Dominions are in the position of subject States; and the Oversea British are deprived of rights otherwise inherent in their British citizenship—rights which many of them possessed and exercised before they left the Mother Country. In these supreme matters the Oversea British are in fact as completely governed by the decisions taken by the electorate of the United Kingdom as the peoples of India, Nigeria, or Uganda. On the other hand, the position of the Home British is equally unsatisfactory. The Ministers responsible to the Parliament of the United Kingdom are charged with the safety and well-being of the Empire as a whole; but in the execution of their duty they cannot avail themselves of the population, revenues, and productions of the Dominions, and in the absence of any common administrative authority can utilise only in part the resources of India, the Crown Colonies, and the Protectorates. The area from which they draw their supplies is the area over which the United Kingdom Parliament can lay and levy taxes. With the exception of the voluntary contributions to the Navy made by the Dominions and the Army and Marine services of India, the taxpayers of the United Kingdom, therefore, pay the cost of the Army and Navy

and other Imperial services; and the 45,000,000 people of the United Kingdom find the men, build the ships, and manufacture the munitions and equipment necessary for the common defence of the more than 400,000,000 human beings who live and work under the protection of the British flag.*

This, perhaps, is the gravest defect in the existing system of Imperial administration. The resources of the Empire as a whole in men, money, and materials remain unorganised, and are, therefore, only in part available for the Imperial Government. The sole administrative organs which serve the Empire, as an Empire, are the Imperial Conference and the Committee of Imperial Defence. Both of these bodies are merely consultative and advisory. The former meets normally at intervals of four years; the latter sits continuously, but it includes as yet no representatives of the Dominions. For the purpose of combined administrative action in war and peace, therefore, the British Empire has no more efficient machinery than conferences and negotiations between Governments—just such machinery, in short, as is at the disposal of any combination of allied States.

In view of the increasing recognition of the need of an organically connected administrative system

* I write of the conditions obtaining at the outbreak of the war, which also will obtain after the war, unless the necessary administrative reorganisation of the Empire is carried out.

for the British Empire, and the success which has attended the adoption of the federal principle by the United States, Germany, and the Dominions, it may be asked why has not this principle been adopted long ago? The answer is that, merely from a constitutional point of view, the process of applying the federal, or dual, principle of government to the component parts of the British Empire is rendered exceptionally difficult by the existence of certain physical and political conditions which are absent in these other unions of States or Colonies. These conditions are—(1) the separation of the component parts from one another and from the United Kingdom by vast distances of ocean; (2) the differences of race and civilisation obtaining as between the various populations; and (3) the fact that there already exists a common Imperial authority—defective as it undoubtedly is.

The difficulties created by conditions (1) and (2) are so obvious that very little need be said about them at this stage of the inquiry. Later on, indeed, these difficulties, and others due to the differences of economic conditions as between the United Kingdom and the Dominions, must be examined in detail; since the possibility or impossibility of overcoming them is the central fact of the problem of Imperial unity. Here, therefore, it will suffice to point out that while all the constituent units of the federal unions hitherto constituted, whether within or without the Empire, are contiguous

and form collectively a single territory,* the constituent parts of the British Empire are separated by ocean distances varying from 12,000 miles in the case of New Zealand to 3,000 miles in the case of Egypt; and while, again, the populations of the former are, broadly speaking, European and, to all intents and purposes, identical in character, the population of the British Empire comprises a vast non-European majority, consisting of peoples differing widely in race and civilisation both from the European minority, who form almost exclusively † the inhabitants of the Dominions and the United Kingdom, and from each other. In a central Legislature for the British Empire, therefore, the principle of " one vote, one value " could not be applied, but different bases and methods of representation would have to be adopted, varying with the varying social and political circumstances of the several component parts.

The third differentiating condition is the fact that an Imperial authority is already in existence. This authority is the Crown and Parliament of the United Kingdom; and it follows, therefore, that if a new and more efficient Imperial authority of the character in question is to be constituted the United Kingdom will cease to be, as it is now, the

* Tasmania is so near the mainland of Australia as hardly to constitute an exception.

† The chief exception is South Africa, where the native population is five times as numerous as the white. But as this native population is administratively subordinated, the Union is virtually a white State.

one sovereign State of the Empire. And, since under the parliamentary system of this State the electorate is the ultimate repository of governmental powers, this new authority cannot be created unless and until the people of the United Kingdom have signified their willingness to abdicate from their Imperial position. It is therefore a case of vested interests; and hitherto the people of the United Kingdom have seemed to hold the belief that the abandonment by them of their exclusive power to control the policy of the Empire as a whole would have an adverse effect upon their national interests. On the other side, the people of the self-governing Dominions, up to the present, have shown themselves, as a whole, to be averse from undertaking the new and heavy responsibilities—financial and administrative—which would accompany the grant to them of direct representation in an Imperial Executive and Legislature. And the same reluctance to undertake responsibilities outside the limits of their own particular State is to be observed on the part of the local Governments of Dependencies and Crown Colonies, wherever the principle of popular representation has been introduced.* In short, the conditions of the British Empire are such that they make the establishment of the mere constitutional machinery of a federal Government a process of

* It is scarcely necessary to remind the reader that for the time being this pre-war reluctance has been swept away in a tide of enthusiastic loyalty to the Mother Country.

exceptional difficulty. In these circumstances, where the sacrifices are immediate and certain and the gains future and undefined, nothing less than an overwhelming necessity for common and concerted action can be expected to make all, or the majority, of the peoples concerned ready to submit to the initial sacrifices which will be respectively required of them.

If, as is believed, the present war has provided this compelling necessity, the time is ripe for the study of the questions involved in a reconstruction of the administrative system of the Empire. And at the outset of the inquiry it cannot be pointed out with too much emphasis that to substitute a federal, or dual, system for the system under which the British Empire is governed at present is not to erect an Imperialistic system. The very opposite is the case. The present system is Imperialistic, since the electorate of a single sovereign State rules the rest of the Empire; but under a federal system the status of the United Kingdom would be reduced to an equality with that of other component States of the Empire, and its sovereign power would be shared with them. And, moreover, in so far as the new system would provide for the eventual admission of all the peoples of the Empire to a share in the government, its general tendency would be democratic and not autocratic. The Empire would gain in administrative efficiency, and the organised development of its resources under a central

Government would augment its collective strength for all purposes of peace or war ; but the immediate constitutional effect of the change of system would be to convert what is now the Empire of a single sovereign State into a free union of States and peoples.

For the more complete elucidation of the difficulties attending the application of the federal principle to the British Empire, it is proposed in the two following chapters to recall the efforts made to overcome them during the thirty years preceding the outbreak of the war. In Part II. the methods which, in the light of our past and present experiences, seem most likely to harmonise the conflicts of interests, and to solve the constitutional difficulties, that hitherto have blocked the approach to the goal of Imperial unity, are formulated and discussed; and a Union Constitution is drawn in outline.

The information thus given is supplemented by an Appendix containing an account of the federal principle in operation in the United States of America, Germany, Switzerland, and in the three federal unions within the British Empire.

CHAPTER II

The Work of the Imperial Federation League: 1884–1893

"The cause which we call Imperial Federation, for want of a better name, is worthy of the devotion of the individual lives of the people of this country. For my part, . . . I can say from the bottom of my heart that it is the dominant passion of my public life. Ever since I traversed those great regions which own the sway of the British Crown outside these islands, I have felt that it was a cause which merited all the enthusiasm and energy that man could give it. It is a cause for which anyone might be content to live; it is a cause for which, if need be, anyone might be content to die." — Lord Rosebery at Leeds, October 11, 1888.

The Imperial Federation League was founded at a Conference which met in London, first on July 29, and subsequently on November 18, 1884, under the chairmanship of the Right Hon. W. E. Forster, Liberal M.P. for Bradford. At the adjourned Conference, when the League was formally constituted with Mr. Forster as Chairman, its purpose was set out in the following (among other) resolutions then adopted :—

"That the object of the League be to secure by Federation the permanent unity of the Empire.

"That no scheme of Federation should interfere with the existing rights of local parliaments as regards local affairs.

"That any scheme of Imperial Federation should combine on an equitable basis the resources of the Empire for the maintenance of common interests, and adequately provide for an organised defence of common rights.

"That the League . . . invites the support of men of all political parties."

Mr. Forster, the first Chairman of the League, had served successively as Under-Secretary for the Colonies in 1865; as a member of Mr. Gladstone's Cabinet and Vice-President of the Committee of Council on Education, 1868–1874; and as Chief Secretary for Ireland in 1880–1882. The names of the speakers, as recorded in the official report of the proceedings of the Conference, afford evidence alike of the non-party character and of the significance of this effort to give effect to the growing Imperial sentiment of the time. To take only a few of the more familiar among them, we find: the Right Hon. W. H. Smith, M.P., First Lord of the Admiralty in Lord Beaconsfield's Government, 1877–1880; Sir Henry Holland, M.P. (afterwards Viscount Knutsford), Under-Secretary for the Colonies, 1870–1874; Lord Rosebery, Under-Secretary for the Home Department under Mr. Gladstone in 1881; Mr. Edward Stanhope, M.P., Under-Secretary for India, 1878–1880; and Sir Charles Tupper, then High Commissioner for the Dominion of Canada.

The difficulty of finding a correct terminology was realised at the outset. By the use of the word "Federation" Mr. Forster himself said at the Conference: "We do not by any means bind ourselves to a particular form of Federal Parliament. It may be effected by representation in the Imperial Parliament, or it may be by a Council of Representatives of the Colonies. We want to convey the notion that ultimately, hereafter, there must be a union, in some form or other, of England with her Colonies, on terms of perfect equality to the Colonies as well as to England; and I do not know any word which will better express that notion than the word 'Federation.'" The adjective "Imperial," although it was innocent enough from an etymological point of view—merely indicating the British Empire as the field to which the federal principle was to be applied—was always rather a red rag to certain classes of political thinkers, both at home and overseas. The word was charged, for such minds, with two evil associations: it suggested the idea of the United Kingdom as a superior over a group of inferior States; and it raised a suspicion of military aggression, which, though quite unfounded, alarmed many otherwise firm supporters of the British connection. On the other hand, a really happy definition of the work of the League was given by Mr. Forster on another occasion. Its business was, he said, to bring about "such a union of the Mother Country with the

Colonies as will keep the realm one State in relation to other States."

That the movement was neither artificial, nor forced by Home statesmen, is shown by the fact that similar organisations, with sternly practical objects, were formed—almost simultaneously with the Imperial Federation League—in each of the two provinces of the Empire where the threat of separation was felt most acutely. The first of them—the Empire League of the Cape Colony—actually preceded the London society, to which it was afterwards affiliated, by nearly a month—since it was formally constituted at a meeting held at Cape Town on October 23, 1884.

It was the year of the Bechuanaland crisis, and a period in which the Dutch control of the Cape Parliament revealed a distinctly Separatist tendency in Cape politics. The Empire League, therefore, placed first in its declaration of principles: "The fundamental object of this League is to maintain unimpaired the connection which now subsists between this Colony and the British Empire." But whi e its immediate purpose was "to correct the erroneous idea that the spirit of loyalty has waned in this portion of Her Majesty's Dominions to such an extent as to justify the suspicions which have been aroused," it also advocated a constructive policy, which brought it into line with the Imperial Federation League.

" . . . It is not sought in any way to limit the rights of self-government which this Colony at present enjoys, but rather to secure for it entire freedom in the control of purely domestic affairs, with some voice, at no distant date, in the councils of the Empire. With this end in view the League will be affiliated to the Federation League, now being formed in England. . . ."

In Canada the threat was not military, but commercial. Here Mr. Goldwin Smith was writing that " a Canadian nationality being a lost cause, the ultimate union of Canada with the United States appears now to be morally certain," and commercial union was becoming the question of the day. To this offer the Canadian Imperialists opposed a programme of inter-Imperial reciprocity, and it was the prospect of obtaining the first instalment of this programme, in the shape of preferential trading arrangements between Australasia and Canada, that gave the work of the Imperial Federation League a special hold upon the public mind of the Dominion. The prominence given to the economic aspect of Imperial unity appears in the form of the resolution, passed at the meeting held at Montreal on May 9, 1885, under which the Canadian branch of the Imperial Federation League was constituted. It ran :

" That a Canadian branch of the League be now formed, to be called the Imperial Federation League in Canada, and that the object of the League in Canada shall be to promote the discussion of means

whereby the permanent unity of the Empire may be maintained, and its practical efficiency increased, to further the development and interchange of the resources of its various parts, and to resist any measures tending to disintegration."

Just three years later the first practical step towards the realisation of this programme was taken by the League in Canada. On May 18, 1888, a memorial was presented to Lord Lansdowne, the (then) Governor-General, by the Toronto branch of the League, asking that the necessary steps might be taken by the Canadian Government to invite the Australasian Governments to join in constituting a Conference " to devise means for the development of reciprocal trade and commerce " between these two great provinces of the British Empire.

Two months later the writer (being then in New Zealand) received a letter from the Secretary of the League in Canada, requesting him to obtain support for the proposed Conference in New Zealand, and to act with this end in view in concert with the branch of the League already established at Melbourne.

This endeavour to arouse public opinion on the part of the branches of the Imperial Federation League was assisted materially by the visit of Mr. G. R. Parkin to New Zealand and Australia in the following year. Mr. Parkin's mission had a two-fold object. He desired to obtain information as to the feeling with which the proposals of the Federation League were regarded by representative men

in those Colonies, and at the same time by private conversation and public addresses to make known the general aims of the League, and to remove, where possible, some of the misunderstandings to which an unfriendly interpretation of those aims had given rise. In both these aspects Mr. Parkin's mission was remarkably successful. In New Zealand a branch of the Federation League was formally constituted at Christchurch on May 3, 1889, as the direct result of the largely attended public meeting which Mr. Parkin had addressed the week before. And in Australia, where the policy of the Federation League was subjected to considerable public criticism, he attracted to the movement the support of many influential public men, who had hitherto regarded it with suspicion.

The fruit of these activities of the branches of the League in Canada, Australia, and New Zealand was reaped five years later at Ottawa. The Conference held there in 1894 met on the invitation, not of the Home, but of the Dominion, Government; and it was especially concerned with questions of inter-Imperial trade and communications. The great Blue Book, which contains the report of its proceedings—presented to the Home Government by their representative, Lord Jersey—is a mine of practical information upon the industrial and commercial conditions of the Oversea British communities. It was at this Conference that the Oversea British put on record their belief in the

possibility and utility " of a Customs arrangement between Great Britain and her Colonies, by which trade within the Empire might be placed on a more favourable footing than that which is carried on with foreign countries." They asked that the " unlucky treaties," * which prevented the self-governing dependencies of the Empire from entering into agreements of commercial reciprocity with each other or with Great Britain, should be abrogated by Imperial legislation, in order that, pending the adoption of such a Customs arrangement by Great Britain, they themselves might be enabled to place each other's products, in whole or in part, and those of the Mother Country, on a more favoured Customs basis than was accorded to the like products of foreign countries. The strength of the feeling in favour of the preferential treatment of inter-Imperial trade, manifested by the representatives of the Oversea British at this Conference, is reflected in Lord Jersey's Report.

" It is within the power of Great Britain," he wrote, " to settle the direction of their trade and

* This is (the late) Lord Salisbury's expression. Those treaties were not denounced until July 30, 1897, as the result of the resolution *ad hoc* passed by the Colonial Conference of 1897. The original treaties were with Belgium (1862) and the German Zollverein (1865); but so long as they remained in force, the operative clause, " Articles, the produce or manufacture of (Belgium or Germany), shall not be subject in the British Colonies to other or higher duties than those which are or may be imposed upon similar articles of British origin," was extended to all countries whose commercial treaties with Great Britain contained a " most favoured nation " clause. And of such treaties there were more than twenty-two in all at the time in question.—F.O. declaration in Cd. 5369. 1888.

the current of their sentiments for, it may be, generations. Such an opportunity may not ever recur, as the sands of time run down quickly. There is an impatience for action which would be tried by delay, and most sadly disappointed by indifference to the proposals which are now brought forward."

Mr. Forster died on April 5, 1886. At the foundation of the League he had said: "I think I have now seen the beginning of a movement than which there has been none of more importance to the world." If he had been spared only another year he would have seen the attainment of the primary object of the League in the meeting of the first Colonial Conference at London in 1887. As it was, before his death the League was well established in South Africa, Canada, and Australia. In South Africa there had been a striking demonstration of its usefulness; for here, in direct response to the appeal evoked by the Empire League, the expedition commanded by Sir Charles Warren had been sent out to Bechuanaland, and, by a bloodless victory, regained in a large measure for Great Britain, as paramount Power, the prestige which had been lost by the retrocession of the Transvaal in 1881. He saw, too, the inspiring spectacle of Canadian boatmen and New South Wales troopers fighting side by side with the British soldiers of the regular army in the Soudan.

Mr. Forster's place was taken by Lord Rosebery,

with Mr. Edward Stanhope as Vice-Chairman. This latter position was resigned by Mr. Stanhope in the following October (1886), upon his appointment as Colonial Secretary in Lord Salisbury's Government, and resumed at the beginning of the next year, when he was transferred to the War Office. The title of Chairman, held by Mr. Forster, was changed to that of "President" upon the constitution of the General Council of the League early in 1888; and thus for six years (1886 to 1892) the work of the League was carried on under Lord Rosebery as President (or Chairman) and Mr. Stanhope as Vice-President. In the autumn of 1892 Lord Rosebery resigned the presidency, on taking office in Mr. Gladstone's Government as Foreign Secretary. Mr. Stanhope then became President, with Lord Rosebery first, and afterwards Lord Brassey, as Vice-President. At the end of the year following (1893) the League was dissolved in circumstances which will be related subsequently.

Thus the life of the League was only ten years in all, during seven of which its activities were guided by Lord Rosebery and Mr. Stanhope. The work which it accomplished within this brief period (1884–1893) falls under two heads: (*a*) direct achievements and (*b*) the concentration of public attention upon the need for the administrative unity of the component parts of the Empire.

Considerations of space forbid any attempt to give an account of the general work of propaganda

included under this second head. Its results may be followed at large in the pages of the journal, issued monthly for the years 1886 to 1893 from the office of the League. It must suffice, therefore, to say that these eight volumes not only afford conclusive evidence of the powerful influence exercised by the League and of the widespread activities of its individual members, but that they constitute a storehouse of information upon every aspect of the problem of Imperial unity—and one in which all shades and phases of Oversea British thought are duly represented.

To arrive at a just estimate of the direct achievements of the League, it is necessary to recall the message which Mr. Forster sent to the executive committee just before his untimely death. It was to the effect that "for the organised and efficient defence in war of the sea commerce of the Empire, mutual arrangements and joint action between the Mother Country, the Colonies, and Dependencies were necessary." And that "a basis for such mutual arrangements and joint action could best be arrived at by an official British Conference called by Her Majesty's authority and composed of accredited representatives appointed by Colonies having responsible Governments, and of representatives appointed by the United Kingdom."

The immediate objective of the League was, therefore, to bring about the meeting of this Conference; and when the first Conference had been

held, to secure the periodic meeting of such Conferences. Bearing this in mind, we may include fairly the following as direct achievements of the Imperial Federation League :—

(1) The first Colonial Conference (April 5, 1887).

To support this claim it is only necessary to remember that this step was urged upon the Prime Minister, Lord Salisbury, by a deputation of the League on August 11, 1886; that Mr. Stanhope was the Colonial Secretary who, at the end of November of the same year, penned the circular letter that invited the self-governing Colonies to send delegates to the Conference; and that it was Sir Henry Holland (afterwards Viscount Knutsford), one of the founders of the League, who presided over its deliberations. From this Conference there came (*inter alia*) :—

(*a*) The Australasian Naval Defence Agreement, in which these Colonies undertook to contribute £126,000 per annum for ten years to the maintenance of an increased naval force in these waters.

(*b*) The inspection of the local forces of Australasia by Major-General Sir Bevan Edwards in 1890.

(*c*) An agreement for the administration of British New Guinea at the joint cost of the Imperial and certain Australian Colonial Governments.

(*d*) The proposal of Mr. Hofmeyr (delegate of the Cape Colony) "to discuss the feasibility of promoting closer union between the various parts of the British Empire by means of an Imperial tariff, the revenue derived from such tariff to be devoted to

the general defence of the Empire." This tariff of customs was to be levied, independently of the duties payable under existing tariffs, on all goods entering the Empire from abroad.

(2) The Ottawa Conference of 1894.

The effective part played by the League in the promotion of this Conference has been indicated above.

(3) The recognition of the necessity for a periodic Conference.

At a meeting held at the Mansion House on November 15, 1889, Lord Rosebery, the President of the League, said: "I have always felt since [the meeting of the Conference of 1887], that the existence of what is called Imperial or National Federation depended upon the periodical continuance and renewal of those Conferences. Now I have ventured to lay that view before the League, and they have cordially concurred with me in taking it up. They are prepared to limit and define their exertion, for the present at any rate, to the promoting, and maintaining, and stimulating of those Imperial Conferences."

It was the endeavour to put this policy into effect that led to the dissolution of the League at the end of 1893.

On April 13, 1891, the Council of the League resolved: "That the Prime Minister be requested to receive a deputation from the Imperial Federation League to urge the convocation, at the earliest

timely date, of a Conference of the self-governing countries of the Empire, to consider the question of securing to them a real and effective share in the privileges and responsibilities of a United Empire, under conditions which are consistent with the present political constitution of the United Kingdom and with the self-government possessed by the Colonies." The deputation, arranged in pursuance of this resolution, obtained from (the late) Lord Salisbury, on June 17, 1891, a pronouncement of the first importance, as affecting the whole question of Imperial unity.

" I quite think," he said, " that no grave decision in reference to the relations between the Colonies and this country ought to be taken, or could be taken, without personal communication with the statesmen who guide the Colonies in these matters. But I would venture to lay down also as a maxim that we should not call them from their momentous vocations to put them to all the difficulty, and all the labour, and all the cost of coming to this end of the world, unless we are prepared to lay before them for discussion some definite scheme of our own. . . . I think it would be a frivolity, almost amounting to an insult, to ask those statesmen to come together here without any definite idea of what ought to be done, merely in the hope that some scheme would generate itself from contact of so many distinguished minds . . . it would be an insult to summon a Conference and to have no proposition to make to them when they were come. . .

"As to the League having no cut-and-dried scheme to propose . . . I think that we are almost come to the time when schemes should be proposed, and that without them we shall not get very far."

In response to Lord Salisbury's challenge it was resolved at a meeting of the Council of the League held on the following July 6, "that a carefully selected committee be appointed to submit to the Council, for the consideration of the organisations of the League throughout the Empire, definite proposals by which the object of Imperial Federation may be realised." The remarkable document thus produced was dated July, 1892, and presented to the Council on November 16 of the same year. It bore the names of Lord Brassey (Chairman), James Bryce, Sir John Colomb, Sir Daniel Cooper, H. O. Arnold-Forster, Lord Lamington, Sir Lyon Playfair, James Rankin, Sir Rawson Rawson, Lord Reay, and Sir Charles Tupper. The committee commenced its inquiry by circulating a series of carefully considered questions among some thirty persons specially qualified to give their opinions upon the principal points involved in any form of Federation; and it was only after the replies to these questions had been received that the proposals subsequently embodied in the Report were drawn up. As the result of this procedure the committee found that "the essentials of a United Empire may be thus briefly defined:

"(*a*) That the voice of the Empire in peace when dealing with foreign Powers shall be, as far as possible, the united voice of all its autonomous parts.

"(*b*) That the defence of the Empire in war shall be the common defence of all its interests, and of all its parts by the united forces and resources of all its members."

For these two purposes "some central body in which all the parts of the Empire are represented was essential"; and it remained to consider:

"(*a*) How shall a Council of the Empire be constituted?

"(*b*) By what means can the resources of the Empire be most effectively combined?"

To the first of these questions the Report replies that the Council of the Empire "should consist of members appointed by the United Kingdom and the self-governing Colonies." It should include, on the part of the United Kingdom, the Indian Empire, and the Crown Colonies, the Prime Minister, the Secretaries of State for Foreign Affairs, War, Colonies, and India, the first Lord of the Admiralty and the Chancellor of the Exchequer; and, on the part of the self-governing Colonies, direct representatives of the three groups—North American, Australasian, and South African.

One of its primary duties would be to provide for the defence of the Empire; and in the discharge of this duty the Report recommends that the

Council should act on the lines of article 20 of the Report of Lord Hartington's Commission on Defence. (This article is cited in full.)

Then follow what may be termed the operative clauses of the Report.

"XX. The Council might receive such information relating to matters of foreign policy as would enable it to deal adequately with questions of defence.

"XXI. In matters of defence the Council should supervise the appropriation of any moneys provided for the defence of the Empire by the common contributions of the United Kingdom and the Colonies.

"XXII. The method of raising contributions would probably by general consent be left at the outset to the choice of the individual self-governing States. But future developments may disclose a means of raising the necessary contributions upon some uniform principle throughout the Empire, by the allocation to this purpose of special sources of revenue or otherwise.

"XXIII. The several amounts should be fixed in the first instance for a term of years by a Conference, subject to periodical revisions.

"XXIX. In order to ascertain the views of the different Colonies enjoying responsible government as to securing the unity of the Empire and meeting the responsibilities of Imperial defence, and for the purpose of determining the basis upon and the method by which contributions should be raised, the Governments concerned should be invited to send representatives to a Conference summoned *ad*

hoc. Such Conference ought not, however, to be formally convoked until Her Majesty's Government have satisfied themselves that the moment is opportune, and that a favourable reception of any proposals they may make may reasonably be looked for.

"XXX. The invitation to such a Conference should be accompanied by a complete statement showing the general necessities of the Empire in the matter of defence; the means by which defence has hitherto been provided, and the proposed means and estimated cost of providing it by joint action in the future."

In reply to the second question—How can the resources of the Empire be most effectively combined?—the Report sets out certain "more immediately practicable" measures, which can be effected by Imperial and local legislation on the invitation of the Council of the Empire. Among such measures it includes Imperial penny postage, the admission of Colonial Government securities as trustee investments, the opening of the administrative services of the Empire to Oversea candidates, the appointment of Oversea jurists to the Judicial Committee of the Privy Council, and the attainment of uniformity in certain branches of the statute law of the United Kingdom and the Colonies.

The further development of inter-Imperial trade, with the removal of existing hindrances thereto due to tariff arrangements, is deemed by the Committee to be a measure "which if not at first

practicable may become more so" with the growth of national unity. And on this head the Report says:

"The course of events may remove the obstacles at present retarding the interchange of commodities between the countries which constitute the Empire. The sense of the permanence of the political union would naturally induce the people of the various countries in the Empire to make, for the sake of strengthening the union, fiscal arrangements, which under existing circumstances, they are not prepared to adopt."

Of this remarkable document it may be said that, taken as a whole, it brings us nearer to an organic union of the Empire than any earlier or subsequent plan for the attainment of the same end, formulated prior to the outbreak of the war. The advances of the last twenty years—the institution of the periodic Imperial Conference, the constitution of the Imperial Defence Committee, improved means of communication, the appointment of leading Colonial jurists to the Judicial Committee of the Privy Council, the grant of reciprocal trade privileges by the Dominions to each other and to the United Kingdom, and the establishment of an Imperial penny post—are anticipated, and transcended, by its recommendations.

The Report was laid before Mr. Gladstone (who had succeeded Lord Salisbury as Prime Minister after the General Election of 1892) by a deputation

of the League on April 13, 1893. In his opinion it broke down in two respects. In the first place, the prospect of the development of the trade of the Oversea British communities by preferential treatment in the markets of the United Kingdom was too remote.

"I do not think I should be dealing fairly with you," he said, "if I held out any expectation that, so far as I am myself concerned—which is not very important—and so far as my political friends are concerned, we should ever be prepared to propose the consolidation of the Empire by means of reversing again the principles of our commercial relations, and introducing preferences into the terms upon which commodities imported oversea are received into the ports of the United Kingdom."

And next, the Report did not state the basis upon which the respective contributions of the various Oversea British States, and of the United Kingdom, to the cost of Imperial defence were to be assessed. Its proposals did not constitute, therefore, the "definite scheme" for which Lord Salisbury had asked. The Premier's words were :

"You have made some considerable progress towards the formation of a scheme in this paper, but you yourselves know better than I do that what this paper contains does not amount to a scheme, for, in truth, nothing could be called a scheme which did not, I think, distinctly lay down the principle upon

which—I do not say the particulars, but the principles—upon which the burden of the common defence was to be distributed, and which did not likewise distinctly intimate the nature of the powers to attach to the proposed Imperial Council of Defence."

Of these two points, the first—as Mr. Gladstone himself admitted—was answered by anticipation in the Report, while the second, had argument been of any avail, was open to a perfectly valid reply. To men versed in administrative affairs the principles of distribution—for the omission of which Mr. Gladstone chided the League—were matters of common knowledge. They were the same in a union of parishes as in a union of States. The burden of Imperial defence, like other common burdens, must be distributed among the several members of the Union in shares proportionate to their respective needs and resources; and these needs and resources would be measured in terms of population, wealth, revenue, and expenditure. The deputation, therefore, might have pointed out that what they advocated was to summon a conference of responsible delegates *ad hoc;* and that it would be for these delegates, duly authorised thereto by their respective Governments, and for no one else, to determine in consultation not merely the final details of the proposals to be submitted to their respective electorates, but in what manner these well-established principles of distribution should be

applied, and whether—and if so to what extent—they should be modified to meet the special conditions of each of the communities concerned.

But the obstacles to the adoption of the recommendations of the Report were in fact more fundamental than any question of procedure. The majority of the United Kingdom electorate, being ignorant for the most part of the potential greatness of the British Oversea territories, were unwilling to risk the loss of prosperity which they believed, rightly or wrongly, would be entailed upon the manufacturing population by any departure from the practice of the free importation of foodstuffs and raw materials. The Oversea British, being themselves industrial communities, in the absence of any realisable threat of danger from a foreign Power, hesitated to incur financial liabilities which they deemed to be penalties special to nations as yet under a military *régime*. And the most far-sighted of their leaders were unable at this date to justify the acceptance of the increased responsibilities of a *pro rata* contribution to a common expenditure upon the defence of the Empire, unless and until their produce received the preferential treatment in the markets of the United Kingdom, which, in their opinion, would have assured the rapid development of their population and industries.

In the opinion of the League, as a collective body, the Conference *ad hoc* was a necessary step, if the advance towards the goal of Imperial unity was to

be continued. When, therefore, this "next step" was rejected by two successive Prime Ministers, representing respectively each of the two dominant political parties of the Mother Country, it became obvious that the members of the League must take stock of their position. A committee was appointed, therefore, without delay to "inquire into and report upon the course of action to be adopted by the League in the immediate future." In the July following, this committee found that "the special Report laid before the Prime Minister in April represented the maximum of political principles and opinions attainable, as a homogeneous body, by all the numerous and diverse elements of which the League is composed"; and concluded its Report with a recommendation that the operations of the League should be brought to a close. The issue thus raised was fully stated in a communication from the President (Mr. Stanhope) addressed to all members of the Council of the League; and members unable to attend the meeting of the Council, of which due notice was given, were invited to record their "aye or no" by letter. In these circumstances the Council resolved, at a meeting held on November 24, by a bare majority of the members present and voting, but by a great preponderance of the votes received by post, that "the central organisation be dissolved at the close of the present year (1893)."

Although the central body of the League was thus

dissolved, the City branch (which became the present British Empire League) and the Oversea branches remained in operation. And in addition to these branches two independent organisations carried on the work of the League by advocating respectively the two main lines of advance towards administrative unity: the partnership in defence and the partnership in trade. Of these, the "United Empire Trade League" had been formed, with Colonel Sir Howard Vincent as its moving spirit, in 1891; while the "Imperial Federation (Defence) Committee" was a direct survival from the Executive Committee of the League, whose secretary, Mr. Arthur Loring, became secretary of the new Committee.

CHAPTER III

Subsequent Progress under the Limitations Imposed by the United Kingdom Practice of Free Imports

After the dissolution of the Imperial Federation League (1893), in the circumstances narrated in the preceding chapter, it was recognised that further progress towards Imperial unity would be limited in the immediate future to such measures as could be carried out without interfering with the United Kingdom practice of admitting imports to its markets free of duty irrespective of their origin. The conditions thus imposed excluded, on the one hand, the prospect of obtaining any relief for the United Kingdom taxpayers from the Oversea British other than such as might be given voluntarily, and, on the other, the proposal to constitute a Council of the Empire with executive and legislative powers, in which the Oversea British should be proportionately represented. Effective action was confined, accordingly, to improving the methods of consultation and co-operation, as between the Imperial Government and the respective Governments of the self-governing Colonies, which already

existed, and devising new and more efficient machinery for the same purposes.

The main results of the advance towards Imperial unity, achieved on these lines between 1904 and the outbreak of the war, can be summarised under the following heads :—

(1) The change in the style of the self-governing Oversea British communities from "Colonies" to "Dominions" (1907 : incorporated into the King's title in 1910).

(2) The development of the Colonial Conference (convened at irregular intervals) into the periodic (quadrennial) Imperial Conference, with (*a*) certain changes in the composition of the Conference itself, and (*b*) the constitution of the Dominions Division of the Colonial Office (1907).

(3) The constitution of the Council, afterwards the Committee, of Imperial Defence (1895 and 1904), and the admission (in principle) of Dominion representatives to participation in its proceedings (1913).

(4) The increased co-operation of the Dominions in the defence of the Empire by (*a*) voluntary contributions (in kind or money) to the Navy, and (*b*) the enlargement and better organisation of the local (land) forces.

(5) The improvement and cheapening of inter-Imperial communications of all kinds.

(6) Increased uniformity of legislation (*e.g.*,

in respect of copyrights, patents and trade marks); the appointment of Dominion judges to the Judicial Committee of the Privy Council; and the appointment of Trade Commissioners (representing the Imperial Government) in the Dominions.

While the results grouped under heads (4) to (6) are undoubtedly important, they do not differ in character from such as might be obtained by co-operative action between allied but independent States. For the purposes of this inquiry, therefore, it will suffice if we consider in detail only heads (2) and (3).

§ 1. The Committee of Imperial Defence.

The Committee of Imperial Defence—to take first the less important of the two representative Imperial Institutions now existing — was substantially the work of the Imperial Federation (Defence) Committee (1894–1906), which, as we have seen, was a direct survival of the Imperial Federation League. The special object of the Committee was to secure a closer participation of the self-governing Colonies in the maritime defence of the Empire, and, as a means to this end, it advocated the offer to the Colonial Governments of a share in the administration of the Royal Navy proportionate to any contributions to its upkeep which they might respectively provide. The con-

stitution by His Majesty's Government of a Council of National Defence (under the presidency of the (then) Duke of Devonshire) was welcomed by the Committee in 1895 as the first fruits of its efforts, and as being a body to which representatives of the Colonies could be conveniently added. And in the second * Colonial Conference, held in 1897, Mr. Chamberlain's plea that the Colonies should " take their fair share in maintaining the protective resources of the Mother Country " was answered by the grant of an annual contribution from the Cape Colony to the cost of the Royal Navy. The amount of the contribution (£30,000) was almost negligible, but the Cape Parliament by voting it, in the words of Her Majesty's Government, " recognised for the first time the principle of a common responsibility for the naval defence of the Empire." The absence of any adequate response to Mr. Chamberlain's appeal showed that the self-governing Colonies, in view of the refusal of the United Kingdom to grant preferential treatment to their products, were not prepared to contribute to the upkeep of the Navy or to take part in administering it; but it must be remembered that in the South African War (1899–1902) they were not only ready, in the words of the Committee, " to send their sons to fight in the quarrel of the Empire, but sent them, at considerable expense to themselves, equipped and ready

* Omitting the very important Ottawa Conference, which was convened on the invitation of the Dominion Government.

to take the field, proving that both in person and in pocket they were prepared to share the burden which must fall upon the shoulders of those who undertake Imperial functions." Owing to these and other circumstances the Council of National Defence remained in abeyance, until in 1904 it was reconstituted by Mr. Arthur Balfour (then Prime Minister) as the Committee of Imperial Defence. The two purposes which the Imperial Defence Committee was intended to promote were : (1) the removal of the Army and Navy from the arena of party politics, and (2) the handling of defence questions generally from an Imperial, as against a merely national, point of view. Its composition, therefore, was to be such that, in addition to the Government and the political and professional heads of the Army and Navy for the time being, both the Opposition and the self-governing Colonies were to be represented in its deliberations. And, as the result of this latter, it was to be associated directly with the Colonial Conference, as a body to which the Colonial members of the Conference could look for the proper preparation and presentation of the military and naval questions that came before them for discussion at the meetings of the Conference. As the constitution of this body on these lines was considered to have brought the attainment of the main objects of the Imperial Federation (Defence) Committee within the range of official effort, the

Committee, as such, brought its activities to a close in 1906.*

As at present constituted, the Committee of Imperial Defence consists of the Prime Minister (*ex-officio* Chairman); the Secretaries of State for Foreign Affairs, War, the Colonies, and India; the Chancellor of the Exchequer and the Minister of Munitions; the First Lord and the First Sea Lord of the Admiralty and the Director of Naval Intelligence; the Chief of the Imperial General Staff and the Director of Military Operations; with such other civil officials and naval and military officers and experts as may be from time to time invited to attend. The Committee has a permanent secretary and secretariat; and prior to the formation of the Coalition Government (May, 1915) Mr. Arthur Balfour (now First Lord of the Admiralty) took part in its proceedings as the representative of His Majesty's Opposition.

The powers of the Committee are purely consultative and advisory, and Mr. Balfour's conception of its functions as a representative Imperial institution was only realised—and that potentially—in 1912, when the Imperial Government invited the Dominion Governments to take a permanent part in its proceedings. The terms of this invitation are contained in a despatch of the Colonial Secretary, dated December 10, 1912, and the correspondence

* It continued to work for Imperial unity, however, under the name of "The Imperial Co-operation League."

arising out of it. The methods of participation proposed, as set out in resolutions passed by the Committee of Imperial Defence on May 30, 1911, and cited textually in the despatch, are :

(1) That one or more permanent representatives of the Dominion Governments should be appointed to attend the Committee, when matters of concern to the Dominions are under consideration ; and

(2) That a Defence Committee should be established in each Dominion, to act in concert with the Committee.

In the subsequent correspondence Canada accepted the invitation, but requested that her representatives on the Committee should receive in confidence information as to the policy and action of the (United Kingdom) Cabinet. In reply to this request the Colonial Secretary wrote, that the Committee was a purely consultative and advisory body ; but that any Dominion Minister, when resident in London, would have free access to the Prime Minister and the Secretaries of State for Foreign and Colonial Affairs. As the result of this despatch and correspondence, it would appear that the offer of participation in the work of the Committee of Imperial Defence has been accepted in principle by the Dominion of Canada, and that the Governments of other Dominions are free to avail themselves of it, as occasion may serve.

§ 2. The Imperial Conference.

The institution of the Imperial Conference was due, as we have seen, to the Imperial Federation League, and the first Conference, styled "Colonial" and meeting under the presidency of the Colonial Secretary, was held in London in 1887. In 1894 a second Conference met at Ottawa, on the invitation of the Canadian Government, at which the Imperial Government was represented by a delegate in the person of Lord Jersey. This Conference was opened by the Governor-General of Canada (Lord Aberdeen), and the President, who was elected by the delegates, was Mr. Mackenzie Bowell, the Minister of Trade and Commerce in the Dominion Government.

The circumstances in which these two Conferences were convened, and the main results of their deliberations, have been set out in the preceding chapter. It will suffice, therefore, to recall that at the Ottawa Conference the Oversea British made an urgent appeal to the Home British to modify their practice of free imports to the extent necessary to permit of the establishment of a system of preferential trading within the Empire.

A year before, the Prime Minister of the United Kingdom (then Mr. W. E. Gladstone), in refusing the request of the Imperial Federation League that an *ad hoc* Conference should be convened to arrange for Colonial contributions to Imperial defence, had said: "I cannot hold out any expectation that we,

the Liberal party, should ever be prepared to propose the consolidation of the Empire by means of reversing again the principles of our commercial relations and introducing a preference into the terms upon which commodities imported over sea are received into the ports of the United Kingdom."

At the Ottawa Conference a precisely opposite view was put on record by the delegates of the Oversea British.

"Whereas the stability and progress of the British Empire can be best assured . . . by the cultivation and extension of the mutual and profitable interchange of the products [of the Colonies and the Mother Country],

"Therefore resolved: That this Conference records its belief in the advisability of a customs arrangement between Great Britain and her Colonies, by which trade within the Empire may be placed on a more favourable footing than that which is carried on with foreign countries."

The second Colonial Conference (properly so called) met in London in 1897 under the presidency of the Colonial Secretary, the late Joseph Chamberlain. It was remarkable for the appeal, made by Mr. Chamberlain, to the Oversea British to contribute voluntarily to the cost of the Royal Navy. The Colonial Governments, as we have noticed,* with the exception of that of the Cape Colony, remained unmoved by this appeal, just as the

* See p. 46, *supra*.

United Kingdom Government had turned a deaf ear to the pleading of the Ottawa resolutions.

For the rest, resolutions were passed (1) requesting the Imperial Government to denounce the "unlucky treaties," * and (2) pledging the Colonial Premiers to promote (if practicable) the grant of a preference to the products of the United Kingdom by their respective Legislatures. In pursuance of the former resolution the treaties with Germany and Belgium were denounced on July 30 of this year, and of the latter, Canada granted a preference of 12½ per cent. to countries of the British Empire only in her Tariff Act of the following year.

At the third Colonial Conference of 1902, under the same president, the principle of preferential trade was reaffirmed more definitely by the following resolution, unanimously passed :—

"That this Conference recognises that the principle of preferential trade between the United Kingdom and His Majesty's Dominions . . . would stimulate and facilitate mutual commercial intercourse, and would . . . strengthen the Empire. . . .

"That, with a view of promoting the increase of trade within the Empire, it is desirable that those Colonies which have not already adopted such a policy, should, as far as their circumstances permit, give substantial preferential treatment to the products and manufactures of the United Kingdom. . . .

"That the Prime Ministers of the Colonies respectfully urge on His Majesty's Government the

* For these treaties see Chap. II., p. 26, *note*.

expediency of granting in the United Kingdom preferential treatment to the products and manufactures of the Colonies. . . ."

Mr. Chamberlain, when he left for South Africa, in November of the same year, believed that he had obtained the assent of the (Balfour) Cabinet to the application of the principle of preferential trade by excluding Canadian corn and flour from the operation of the small registration duty imposed (in this year) upon these products upon importation into the United Kingdom. During his absence, however, the Cabinet decided to repeal the duty in the Budget of 1903; and Mr. Chamberlain resigned office in the September following on this issue. At the same time preferential treatment to United Kingdom products was accorded by New Zealand and South Africa in 1903, and in 1907 by Australia; while a much higher rate of preference than that granted in 1898, an average of 28 per cent., was granted in the same year by Canada.

Apart from the reaffirmation of the principle of preferential trade, this Conference resulted in—(*a*) an amendment of the Australasian Naval Agreement of 1887, under which the annual contribution of Australia and New Zealand to the naval forces to be maintained in these waters was raised to £240,000, and the strength of the squadron was increased; (*b*) an increase in the annual naval contributions of the Cape Colony and Natal (to £50,000 and £35,000 respectively); and (*c*) a con-

tribution of £3,000 per annum from Newfoundland towards the upkeep of the branch of the Royal Naval Reserve established in that Colony.*

At the same time a resolution was passed recommending that the ordinary Conferences should be held at intervals not exceeding four years, and that in the event of a special Conference having been summoned in view of any emergency, "the next ordinary Conference should be held not sooner than three years thereafter."

In pursuance of this resolution the late Alfred Lyttelton, who had succeeded Mr. Chamberlain as Colonial Secretary in 1903, made some important proposals to the Governments of the self-governing Colonies relative to "the future organisation of Colonial Conferences" in a circular despatch of April 20, 1905. The substance of Mr. Lyttelton's proposals were:

(1) That the title of "Colonial Conferences" might well be discarded, and the meetings of the Conference be known in future as meetings of the "Imperial Council."

* Mr. Chamberlain was by no means satisfied with these results. For the impassioned appeals on this subject which were addressed by him to the Colonies as a whole, in speeches delivered during his visit to South Africa in the (South African) summer of 1902—1903, the reader is referred to "The Reconstruction of the New Colonies under Lord Milner" (by the writer), Vol. I., Chaps. VIII. and IX., and especially p. 298, *note*. Also Vol. II., pp. 314—315, where Mr. Chamberlain is quoted as writing to Lord Milner (in a private letter) that the preference to British trade offered by the Colonies at this Conference (1902) was given "as a recognition of the immense burden borne by the Mother Country for the Colonies, and not as a bargain where we were to contribute something additional."

(2) That India should be represented, whenever her interests required it, upon the Conference thus renamed the "Imperial Council."

(3) That a permanent body, with an office in London and an adequate secretarial staff, should be constituted, to which "the Imperial Council at their meetings could refer questions for subsequent examination and report"; such questions to be those of a civil character, since in questions of *defence* this work—the preparation of subjects for discussion as much as possible beforehand by a body in which the Colonial Governments were, or could be, represented—was already done by the Committee of Imperial Defence, "on which also His Majesty's Government desired to obtain from time to time the presence of Colonial Representatives."

As Mr. Lyttelton's despatch not only throws an important light upon the evolution and working of the Imperial Conference, but contains suggestions for the further development of its activities, it will be worth while to cite the actual text of the more important passages. In respect of the change of style and the admission of India he wrote:

". . . The first three Conferences met in connection with the presence of the Colonial representatives in London incidental to important Imperial celebrations. But by the resolution passed at the last Conference, and already quoted, future meetings

will be at prescribed intervals, and will be solely for the transaction of business. It may, therefore, be said that an Imperial Council for the discussion of matters which concern alike the United Kingdom and the self-governing Colonies has grown into existence by a natural process. . . . [His Majesty's Government] desire, without pressing [the proposed change of style], to make this suggestion for the consideration of the Colonial Governments.

"The Secretary of State for the Colonies would represent His Majesty's Government. India, whenever her interests required it, would also be represented. The other members of the Council would be the Prime Ministers of the Colonies represented at the Conference of 1902, or, if any Prime Ministers should be unable to attend, representatives appointed for that purpose by their Governments.

"The permanent body of the Imperial Council would be thus formed, but, as in 1902, their consultations could be assisted, when necessary for special purposes, by other Ministers belonging either to the Imperial or the Colonial Governments.

". . . It would probably be desirable that the future composition of the Imperial Council should be one of the subjects for discussion at the approaching ordinary Conference to be held in the summer of 1906."

The details of the proposal for the constitution in London of a permanent Commission of Inquiry and secretariat of the Conference are thus given :

"It is obvious that the Prime Ministers of the Colonies, when they come to London for [its] meetings, cannot remain there for long, on account

of their important duties at home. It is therefore desirable that subjects which they may agree to discuss should be as much as possible prepared beforehand by a body on which they would be represented, and should be presented to them in as concise and clear a form and with as much material for forming a judgment as possible.

"In questions of defence this work is already done by the Imperial Defence Committee. . . . The present proposal relates, therefore, . . . to those of a civil character.

"Again, it would be useful that there should be such a body in permanent existence to which the Imperial Council at their meetings could refer questions for subsequent examination and report [as, *e.g.*, the question raised in the proposal made at a meeting of the Australian Prime Ministers held at Hobart, that a Commission should be appointed to inquire into the feasibility of closer commercial arrangements within the Empire]. . . .

"Or, to take more recent instances, resolutions were passed at the Colonial Conference of 1902 with regard to the state of the laws affecting shipping, to the position of the mail services between different parts of the Empire, and to questions of freight charges . . . the protection of patents . . . the adoption of the metric system of weights and measures . . . and of a cheaper postage within the Empire. . . .

"In addition to those already mentioned, other questions will readily occur in which it is desirable to harmonise, so far as possible, the legislation of the United Kingdom and the Colonies. . . .

"Both in the United Kingdom and in the Colonies where questions arise in regard to which Governments and Parliaments require more light and knowledge before taking action, it is usual to appoint Royal Commissions or Departmental Committees to inquire into the subject and to suggest solutions. His Majesty's Government desire to submit for consideration the proposal that His Majesty should be advised to appoint a Commission of a more permanent kind to discharge the same functions in regard to questions of joint concern. The Commission would only act upon references made either by the Imperial Council at their meetings, or, at any time, by His Majesty's Government together with one or more of the Colonial Governments. Its functions would be of a purely consultative and advisory character, and would not supersede but supplement those of the Colonial Office. The Commission might be constituted at first for a term of years, and then, if it were found useful and successful, it could be renewed. The Commission would, it is proposed, consist of a permanent new class of members nominated, in a certain proportion, by His Majesty's Government and the Colonial Governments, but there should be power to the Commission to obtain the appointment of additional members, where necessary, for the purpose of making special inquiries. The persons appointed by the several Governments to be permanent members of the Commission would no doubt be men of business or of official experience, and their remuneration would rest with the Governments which they respectively represented.

"The Commission would have an office in Lon-

don, as the most convenient centre, and an adequate secretarial staff, the cost of which His Majesty's Government would be willing to defray. It would probably be convenient that the secretary of the Commission should also act as secretary to the Imperial Council when it met. He would be responsible for keeping all records both of the Council and the Commission.

"If His Majesty's Government find that there is sufficient *primâ facie* agreement on the part of the Colonial Governments they will cause a more definite scheme for the constitution of the Commission to be prepared and forwarded to the Colonial Governments for their observations."

The replies to Mr. Lyttelton's despatch in substance were these. The Governments of the Cape, Natal, and Australia declared themselves to be in complete accord with the principle and details (as so far disclosed) of the proposals which it contained. The New Zealand Government were obliged to postpone their reply, since the Colony was in the throes of a general election. The Prime Minister of Newfoundland, writing under a misapprehension of the character of the proposals, and in the belief that to change the name of the Conference to that of an Imperial Council would involve "a direct contribution towards Imperial Defence," deprecated, on behalf of his Government, any change in the existing constitution of the Conference. The reply of the Government of Canada, conveyed in the form of a Minute of the Committee of the King's

Privy Council in Canada,* began with the significant sentence :—

"The Committee at the outset are disposed to consider that any change in the title or status of the Colonial Conference should rather originate with, and emanate from that body itself."

It continued :

"At the same time . . . they are prepared to give the proposals referred to their respectful consideration, and having done so, beg leave to offer the following observations : . . . they entertain with some doubt the proposal to change the name of the Colonial Conference to that of the Imperial Council, which they apprehend would be interpreted as marking a step distinctly in advance of the position hitherto attained in the discussion of the relations between the Mother Country and the Colonies . . . a conference is a more or less unconventional gathering for informal discussion of public questions. . . . The term 'council' . . . indicates . . . a more formal assemblage, possessing an advisory and deliberative character, and, in conjunction with the word 'Imperial,' suggesting a permanent institution which, endowed with a continuous life, might eventually come to be regarded as an encroachment upon the full measure of autonomous legislative and administrative power, now enjoyed by all the self-governing Colonies.

"The Committee . . . incline to the opinion

* The Dominion Cabinet, like that of the United Kingdom, is technically a Committee of the Privy Council. Sir Wilfrid Laurier was the Prime Minister at this time.

that the title 'Imperial Conference' might be less open to the objections they have indicated. . . .

"As regards the second suggestion . . . the Committee are sensible that such a Commission would greatly facilitate the work of the Conference, and at the same time enhance the dignity and importance of that assembly. They cannot, however, wholly divest themselves of the idea that such a Commission might conceivably interfere with the working of responsible government. While . . . not at present prepared to adopt the proposal . . . they feel that [it] should be very fully inquired into, and the Canadian representatives at the next Conference . . . would be ready to join the representatives of the sister Colonies in giving the whole matter their most careful consideration."

The correspondence further showed that the Prime Ministers of Australia and New Zealand, owing to their election arrangements, would have found difficulty in attending a Conference in 1906, and in view of this fact Mr. Lyttelton, in a telegraphic despatch of November 29, 1905, informed the Colonial Governments that the meeting of the Conference would be postponed until 1907. The answers received in reply to his circular despatch were to be published at once ; * but, he added, "in deference to the views expressed by the Government of the Dominion of Canada," further discussion of the proposals it contained would be postponed "until the meeting of the next Conference."

* Cd. 2,785 (November, 1905).

A fortnight later (December 12) the Government, of which Mr. Arthur Balfour was the Prime Minister, resigned office. It was succeeded by a Liberal Administration under Sir H. Campbell-Bannerman, and the next Conference, which met on April 15, 1907, was welcomed by the new Prime Minister in person, with Lord Elgin as Colonial Secretary in the place of Mr. Lyttelton.

In the meantime an influential Committee had met, under the chairmanship of Sir Frederick Pollock, to discuss more at length the proposals which Mr. Lyttelton had made; and the results of its deliberations were embodied in a memorandum published in the Press on March 14, 1907, of which the main conclusions were these :—

"(1) Permanent representation of the Colonial Governments in London, by delegates who might be the High Commissioners or other specially appointed persons, appears essential for giving the Imperial Conference [the Committee had assumed that this style would be adopted] the continuity which at present it lacks. The precise manner and form of this representation must obviously be determined by those Governments in consultation with the Home Government. . . . A necessary condition of making any such plan effective is the provision, as suggested in Mr. Lyttelton's despatch, of a permanent secretary with an efficient staff. On this point there is unanimous, or all but unanimous, agreement among all competent persons who have given their attention to the matter, including

some who strongly object to the formal constitution of an Imperial Council. . . . The functions of this permanent secretariat may be shortly described as those of a peaceful intelligence department by which the materials for the next Conference should be kept up to date, the most urgent and profitable subjects for consideration ascertained, and special inquiries conducted under the instructions of the Conference itself, or interim directions of His Majesty's Government in consultation with the States of the Empire. . . .

"(2) This leads to a further proposal, to which many of us * attach great importance. An efficient intelligence department must command the services of the best-informed persons in all things which concern Imperial interests, and this can be attained by the enrolment of such persons in a list accessible to the secretary and the Conference and available in the ways to be mentioned. They might be invited to communicate personal information, or to serve on special or standing committees according to the nature of the subject-matter. They should include residents in many parts of the Empire. Their work should be hampered as little as possible by any fixed routine. There is no reason to doubt that much of it would be willingly done, as the more

* The signatures attached to the Memorandum were: Devonshire, Rutland, Lytton, Milner, Lovat, Monteagle, Monkswell, Tennyson, Avebury, John C. R. Colomb, Charles Bootle, Bartle C. Frere, Hugh Bell, Felix Schuster, Philip P. Hutchins, G. S. Clarke, Frank Swettenham, Gilbert Parker, F. G. Butcher, S. H. Butcher, Henry Birchenough, J. G. Colmer, A. V. Dicey, Geoffrey Drage, G. P. Gooch, Fred. Hull Jackson, Alfred Marshall, S. Vaughan Morgan, G. W. Prothero, W. P. Reeves, J. St. Loe Strachey, Charles Trevelyan, H. Seymour Trower, Alfred Welby, J. Westlake, B. R. Wise, W. Basil Worsfold, Robert Yerburgh. And "several persons" were "prevented by their official position from signing it."

formal work of Royal Commissions is, without any special remuneration ; on the other hand, we are far from denying that in particular cases public funds might be usefully and profitably employed on inquiries which could not be adequately conducted otherwise, and which no existing department is in a position to conduct either by itself or by the known method of inter-departmental committees." *

The first business of this, the fourth Colonial Conference, and the last to be so styled, was of course to consider the questions raised in Mr. Lyttelton's despatch. On the question of the changed style the Canadian suggestion was adopted, and the dignity of the Conference was enhanced further by the provision that in the future the Prime Minister of England should be *ex-officio* President of its meetings. In the absence of any manifestation of a unanimous desire on the part of the Colonial Governments for the establishment of a permanent secretariat of the Conference on the lines of Mr. Lyttelton's despatch, this proposal was virtually abandoned ; since the creation of the Dominions Division of the Colonial Office, the official provision made by the Imperial Government, was obviously insufficient to achieve the purposes for which the permanent representative body, with its independent office and secretarial staff, proposed by Mr.

* It is impossible to read this recommendation without thinking of the enormous value of the work of civil preparation for the war achieved by Germany on somewhat similar lines, and regretting that it was not found possible to give effect to it.

Lyttelton and recommended by the Pollock Committee, was designed. In the event, therefore, the resolution constituting the Imperial Conference, as it is to-day, was passed by the Colonial Conference of 1907 in these terms :—

" That it will be to the advantage of the Empire if a Conference, to be called the Imperial Conference, is held every four years, at which questions of common interest may be discussed and considered as between His Majesty's Government and the Governments of the self-governing Dominions beyond the seas. The Prime Minister of the United Kingdom will be *ex-officio* President, and the Prime Ministers of the self-governing Dominions *ex-officio* members of the Conference. The Secretary of State for the Colonies will be an *ex-officio* member of the Conference and will take the chair in the absence of the President. He will arrange for such Imperial Conferences after communication with the Prime Ministers of the respective Dominions.

" Such other Ministers as the respective Governments may appoint will also be members of the Conference—it being understood that, except by special permission of the Conference, each discussion will be conducted by not more than two representatives from each Government, and that each Government will have only one vote.

" That it is desirable to establish a system by which the several Governments represented shall be kept informed during the periods between the Conferences in regard to matters which have been or may be subjects for discussion, by means of a permanent secretarial staff, charged, under the

direction of the Secretary of State for the Colonies, with the duty of obtaining information for the use of the Conference, of attending to its resolutions, and of conducting correspondence on matters relating to its affairs.

"That upon matters of importance requiring consultation between two or more Governments which cannot conveniently be postponed until the next Conference, or involving subjects of a minor character or such as call for detailed consideration, subsidiary Conferences should be held between representatives of the Governments concerned specially chosen for the purpose."

This question being disposed of, the Conference affirmed the desirability of developing an Imperial General Staff, the members of which were to be taken from the forces of the Empire as a whole ; * and the Preference resolution of 1902 was reaffirmed by the Oversea members, the representatives of His Majesty's Government dissenting on the ground that it was neither necessary nor expedient to alter the fiscal system of the United Kingdom.

Thus from 1902 onwards, in addition to giving a preference to United Kingdom products, the Oversea British had begun to increase slightly their contributions (in kind or money) to Imperial defence, and in 1909, in view of the recent acceleration of the

* Effect was given to this, and subsequent resolutions on the same subject, by the appointment of an Inspector-General of Overseas Forces, by the creation of local Oversea Sections by the Imperial General Staff, and by the formation of a Dominions Section of the Imperial General Staff at the War Office on April 1, 1912.

German naval shipbuilding programme, and in pursuance of the last paragraph of the Constitution resolution of 1907, an *ad hoc* Defence Conference was held in London. The main results of this Conference were: the gift of the capital ship *New Zealand* by that Dominion; the decision of Australia to create a local navy, which was also to be a unit of an Imperial Pacific Fleet; the acquisition of certain (small) cruisers by Canada; and a plan for combining the local military forces of the Dominions with the Imperial Army in time of war.

A second subsidiary conference, convened to consider the question of Imperial copyright, was held in 1910, at which resolutions were passed affirming (*inter alia*) the desirability of a uniform copyright law for the Empire.

Two events of first-rate importance in the Dominions, the first of which occurred *before*, and the second *after*, the meeting of the next ordinary Conference, must be noted. In 1910 the Union of South Africa was constituted; and the Canadian General Election of 1911 resulted in the rejection of the Reciprocity Agreement negotiated between Canada, under the Laurier Cabinet, and the United States, and accepted by the federal Legislature of the latter.

With this decision of the Canadian electorate the Conservative party returned to power, and Sir Robert Borden replaced Sir Wilfrid Laurier as

Prime Minister of the Dominion on October 11 of this year (1911).

The first ordinary quadrennial Imperial Conference was held in May and June of the year 1911. Its composition, in conformity with the Constitution resolution of 1907, was as follows :—

Governments.	How represented.
The United Kingdom	The Prime Minister. The Colonial Secretary.
The Dominion of Canada The Commonwealth of Australia The Union of South Africa	The Prime Minister and two other Ministers in each case.
The Dominion of New Zealand The Colony of Newfoundland	The Prime Minister and one other Minister in each case.

The President (*ex-officio*) was the Prime Minister of the United Kingdom.

The secretary to the Conference and the permanent secretarial staff were provided by the Dominions Division of the Colonial Office.

Apart from the proposal for the creation of a new Imperial authority brought forward by Sir Joseph Ward (the Prime Minister of New Zealand), which will be discussed subsequently, the Conference considered the following questions :—

(1) Consultation between the Dominion and Imperial Governments in respect of treaties with foreign Powers, with special reference to the neglect to consult the Dominion Governments in respect of the Declaration of London, 1908.

As the result of the discussion on this subject, provision was made for a system of modified consultation, and the Imperial Government undertook to negotiate with the several foreign Governments concerned for power to be given to a Dominion to withdraw from the operation of a treaty without impairing its validity as between the foreign Power and the rest of the Empire.

(2) An Imperial Court of Appeal. Result, two Dominion Lords of Appeal to be created.

(3) Emigration.

(4) Naturalisation.

(5) Cable communication.

(6) A Royal Commission on the resources of each part of the Empire. Result, the Commission to be appointed and all five Dominions to be represented on it.

(7) Uniformity of treatment of British shipping.

(8) British Indians.

(9) The common enforcement of judgments, and uniformity in the law of copyright, patents, trade marks, etc.

(10) Improvement of trade and postal communications.

(11) The desirability of holding meetings of the Conference in one of the Oversea Dominions, and of an interchange of visits between Home and Oversea Ministers.

In addition to this normal business, meetings

took place between the Admiralty and the representatives of Canada and Australia, and questions of military defence were discussed by a Committee of the Conference; and the conclusions reached were in each case laid before, and approved by, the Conference as a whole.

Since the meeting of the Conference, progress in giving effect to its resolutions has been made by :—

(*a*) The conclusion of agreements with Sweden, Denmark, France, Costa Rica, Columbia, and Mexico, under which any Dominion Government has power to withdraw from a treaty separately on twelve months' notice, given on its behalf by the Imperial Government.

(*b*) The creation of two Dominion Lords of Appeal, and provision for increasing the number of Oversea judges, who may be members of the Judicial Committee of the Privy Council, up to seven.

(*c*) The laying of a cable between Australia and New Zealand, the reduction of cable rates, and provision for an Imperial chain of wireless telegraph stations.

(*d*) The constitution of the Dominions Royal Commission (now in operation).

To complete the account of the proceedings of the first ordinary Imperial Conference we have now to consider Sir Joseph Ward's proposal for a new Imperial authority, which, as noticed above, was

the first business to be disposed of. The proposal was rejected, since the representatives of a majority of the States were opposed to any fundamental change in either the Conference or the Colonial Office; but the discussion produced a statement of the first importance from Mr. Asquith.

It would appear that the new authority originally contemplated by Sir Joseph Ward's motion was a permanent Council with merely advisory powers on the lines of Mr. Lyttelton's permanent Commission; but what he actually advocated in speaking to the motion was an elective Chamber of the White States of the Empire, with executive and legislative powers, of 300 members; a Council of Defence, or Senate, of twelve members; and an Executive of fifteen members. Thus argued, the motion of the Prime Minister of New Zealand became a direct assertion of the claim of the Oversea British electorates to share in the administration of the Empire upon equal terms with the United Kingdom electorate. And it was understood, and opposed, as such by the Prime Minister of the United Kingdom.

The same claim had been made, though in a much less definite form, by Sir Wilfrid Laurier, the Prime Minister of Canada, and an answer was returned on this occasion (at the Conference of 1902) by Mr. Joseph Chamberlain, the Colonial Secretary and President. A comparison of the respective answers to this claim, made on these two occasions, reveals perhaps more clearly than anything else how com-

pletely all really effective progress towards an organic unity of the Oversea and Home British has been barred by the United Kingdom practice of free imports.

To Sir Wilfrid Laurier's "If you want our aid, call us to your Councils," Mr. Chamberlain replied in 1902: "If you are prepared at any time to take any share, any proportionate share, in the burdens of the Empire, we are prepared to meet you with any proposal for giving you a corresponding voice in the policy of the Empire." And he pointed out that this object could be secured most effectively by the constitution of a Council of the Empire, in which the United Kingdom and the Oversea British States would have in each case a representation proportionate to their respective capacities to share in the burdens of the Empire. In making this offer Mr. Chamberlain knew that the condition to which it was subject—the provision of adequate and *pro rata* contributions to the cost of Imperial defence—was regarded by the Oversea British as impossible of fulfilment, unless, and until, they obtained the larger share in the business of the Empire, which, in their belief, would be assured to them by the re-establishment of a system of preferential trade between the United Kingdom and the Oversea Dominions of the British Crown. And he therefore endeavoured, as we have seen at the cost of dissociating himself from his colleagues in Mr. Balfour's administration, to persuade the Home

British to abandon at least so much of the practice of free imports as was necessary to give preferential treatment to the products of the Oversea British. The rejoinder to Mr. Chamberlain's reply to Sir Wilfrid Laurier was the reaffirmation by the Oversea States of the Preference resolution of 1902 at the Conference of 1907—a rejoinder which, as we have also seen, was met by the curt *non-possumus* of the dissenting representatives of the United Kingdom.*

As the result of this peremptory refusal on the part of the United Kingdom to admit the question of preferential trade to discussion, a difference between the attitude of the all-British Dominions, Australia and New Zealand, and that of the mixed British Dominions, Canada and South Africa, became apparent in the Conference of 1911. The Governments of the former, with their solid British populations, were prepared to accept the situation and to contribute to Imperial defence with or without the grant of a Preference. The Governments of the latter—of Canada, with a non-British minority of French, German, Austrian, and other nationalities, little inferior in numbers to the British population, and of South Africa, with an actual non-British majority—seemed to have felt that they were not justified in asking their people to assume a proportionate share in the burdens of the Empire, so long as they—and the Dominions as a whole—were debarred from the increased share in its

* P. 66. But see forward at p. 118 for Mr. Lloyd George on this issue.

trade to which they believed themselves to be entitled. This difference of attitude in the two groups of Dominions must be borne in mind in estimating the significance of the reply made by the Prime Minister of the United Kingdom to the claim advanced by the Prime Minister of New Zealand in 1911.

"For what does Sir Joseph Ward's proposal come to? I might describe the effect of it, without going into details, in a couple of sentences. It would impair, if not altogether destroy, the authority of the Government of the United Kingdom in such grave matters as the conduct of foreign policy, the conclusion of treaties, the declaration and maintenance of peace, or the declaration of war and, indeed, all those relations with foreign Powers, necessarily of the most delicate character, which are now in the hands of the Imperial Government, subject to its responsiblity to the Imperial Parliament. That authority cannot be shared, and the co-existence side by side with the Cabinet of the United Kingdom of this proposed body—it does not matter by what name you call it for the moment—clothed with the functions and the jurisdiction which Sir Joseph Ward proposed to invest it with, would, in our judgment, be absolutely fatal to our present system of responsible government."

To Mr. Asquith, therefore, it was the unwillingness of the Home British to surrender their position as the one sovereign State of the Empire, which made it impossible for them to admit the Oversea British to equal political rights with themselves. This, no doubt; but was not the real ground of their

reluctance to be found in the consideration that what applied to the Minister for Foreign Affairs would apply also to the (future) Minister for Trade and Commerce ? That, in short, given an Empire authority, not merely the foreign policy, but the fiscal policy, of the Empire would be based no longer on the conditions and circumstances of the one sovereign State, but on those of the Empire as a whole ?

To sum up. From this account of the character and proceedings of the existing representative Imperial institutions, it would seem that at the date of the outbreak of the war the main obstacles to the consolidation of the British Empire were :—

On the part of the United Kingdom :

(*a*) The belief that a system of preferential trading between the various countries of the Empire would be injurious to the material interests of the United Kingdom.

(*b*) The fact that the existing Legislature and Executive of the United Kingdom combine the administration of Imperial affairs with that of the State affairs of the United Kingdom.

On the part of the Dominions :

The inability to incur a *pro rata* liability for Imperial defence (which is essential to representation in an Imperial Chamber) without the assurance of rapid material development which would be given to them by the establishment of a system of preferential trade within the Empire.

PART II

A BRITISH UNION

CHAPTER I

Is a New Central Authority Required?

§ 1. A New Authority *versus* the Development of Existing Institutions.

Let us assume that the war has furnished a compelling impulse sufficient to overcome the special difficulties which hitherto have prevented the administrative union of the component parts of the British Empire. Let us assume, further, that the English-speaking populations of the Empire are agreed that some step towards closer union must be taken, but that neither the precise nature of this step, nor the character of the administrative machinery to be created, is as yet defined. In this case there is a preliminary question to be decided. There are in existence already two bodies, the Imperial Conference and the Committee of Imperial Defence, which, although merely consultative and advisory and in other respects defective as Imperial organs, yet deal with the Empire as an Empire; and, therefore, we have to decide at the outset whether the administrative unity of the Empire will be promoted better by the development of these existing institutions, or by the creation of a new

authority charged with the administration of all affairs common to its component parts.

In other words, there are two lines of advance open to us—the development of existing institutions, and the creation of a new Imperial authority —each of which has its advantages and drawbacks. The first is obviously the line of least resistance. By following it we should avoid all the great central difficulties ; the electorate of the United Kingdom need not cease to be the ultimate repository of sovereign power ; the Dominions would not incur the permanent and *pro rata* responsibilities, financial and administrative, which they hesitate to accept, nor risk the curtailment of their present complete freedom to manage their own internal affairs ; the question of the representation of the peoples of India, Egypt and the Crown Colonies in an elective Imperial Chamber, would not arise ; there would be no dislocation of the existing machinery of government, and the goal would be attained—if attained at all—by the normal progress of the British Constitution,

> ". . . slowly broadening down
> From precedent to precedent."

But would the goal be reached ? Or worse, might not we lose some part of the ground already won ? During the passing of the many years needed to complete this slow process of a normal, every-day, evolution of an Empire Constitution,

might not the agencies of disruption increase their activity and the forces that make for union grow weaker? If after a common danger so imminent has been met and overcome by common efforts so earnest, and a common victory—as we may hope it will be—has been won by common sacrifices and sanctified by the blood of Hindu and Maori, Dutch South African and French Canadian, Home and Oversea British, shed in battle comradeship for a common cause—if, in a word, after the Empire had risen victorious from its great ordeal unity were not reached, when could we ever hope again to find so good a prospect of reaching our goal? Might not the opportunity once lost be gone for ever?

"Once to every man and nation comes the moment
to decide,
In the strife of Truth with Falsehood, for the good
or evil side;
Some great cause, God's new Messiah, offering each
the bloom or blight . . .
And the choice goes by for ever 'twixt that dark-
ness and that light."

While, therefore, it is only prudent to weigh carefully both the advantages and disadvantages of each line of advance, it is of the utmost consequence that we should realise what is the maximum of administrative gain to be expected from the development of the Imperial Conference and the Defence Committee, and consider what likelihood there is of this maximum being sufficient to satisfy the Empire's needs. Fortunately the material for

forming a judgment on the point is provided by the institutions of the dual monarchy, Austria-Hungary. Here a high degree of administrative union between two kingdoms has been secured not by the creation of a central Executive and Legislature, but by the establishment and maintenance of certain Ministers and Departments common to the two countries; and at first sight it would appear that similar institutions might be built up for the British Empire upon the basis of the Imperial Conference and the Defence Committee. If, therefore, a fairly close analogy could be shown to exist between the political conditions of Austria-Hungary and those of the British Empire (or even of the United Kingdom and the Dominions), there would be at least a strong presumption in favour of the belief that the essentials of Imperial administrative unity could be secured by following the first line of advance.

§ 2. The System of Austria-Hungary.

In these circumstances the system of Austria-Hungary merits close attention. It proves that the establishment of federal machinery is not necessary for the co-operation of States in foreign affairs, in military and naval administration, and in the provision of a common revenue for these purposes. Under the Compromise (*Ausgleich*) of 1867 expenditure upon (1) the Finance Ministry and Court of Public Accounts (which superintends the common revenue and expenditure), (2) the Army and Navy,

and (3) the Foreign Office and Diplomatic Service is regarded as common; but the Budget for this common expenditure is voted not by any federal authority, but by Delegations from the two Parliaments, numerically equal, and composed of representatives from both Chambers of the respective Parliaments of Austria and Hungary. The expenditure, which is almost entirely appropriated to the Army and Navy, is defrayed by (1) the common Customs and (2) contributions from the respective Exchequers. The proportions of the excess of the common expenditure over the common Customs receipts to be contributed respectively by Austria and Hungary were fixed originally under the Compromise, upon an estimate of the comparative wealth of the two countries, at 70 and 30 per cent.; but in 1907 the respective proportions were readjusted at 63·6 and 36·4 per cent.

The common Budget for 1913 was as under :—

Revenue.	Million Crowns	Expenditure.	Million Crowns
Customs . . .	197·7	Ministry of Foreign Affairs . . .	17·8
Contributions:		Ministry of War { Army	395·9
Austria . 188·0		Ministry of War { Navy	74·2
Hungary . 107·6		„ Finance .	4·9
——	295·6	Board of Control . .	·3
Total (true) .	493·4	Total (true) .	493·4
(Million £20·5.)		(Million £20·5.)	

Method of Constitution.—The Compromise was constituted by separate but complementary enactments of the Hungarian (Law XII. of 1867) and Austrian (Act of December 21, 1867) Parliaments, supplemented by further enactments (of the same year) which (1) determined the proportion of the interest on the Imperial debt payable by Hungary, (2) regulated for a period of ten years Hungary's share of the deficit of the common revenue, and (3) established for the same period a uniform tariff and a commercial union for the two countries. The arrangements under (2) and (3) were renewed by complementary enactments in 1878, slightly modified and renewed in 1887, not renewed in 1897, but kept alive by a Hungarian Law of 1899, and renewed in 1907 with the readjustment of the respective contributions noted above.

Executive.—The Emperor-King commands the army and navy, supervises the common Ministries, has power to make ordinances in respect of common affairs, and appoints the Ministers in charge of the departments of Foreign Affairs, War and (common) Finance. "The joint Ministers . . . are in a sort of general harmony with the Delegations, but are under no such control as exists in a parliamentary form of government." *

Legislative Authority.—This remains in the two separate Parliaments of Austria and Hungary;

* "Governments and Parties in Continental Europe," A. L. Lowell, 1896.

but these Parliaments are assisted in legislating for common affairs, and especially in voting supplies for the common services, by the Delegations.

The Delegations.—Each Delegation consists of sixty members chosen as to one-third from the Upper, and as to two-thirds from the Lower House in each case, and appointed for one year. They are summoned by the Emperor-King to meet at Vienna and Budapest in alternate years. They deliberate separately, the proceedings being in German in the Austrian Delegation and in Magyar in the Hungarian. All inter-communications are written in the two languages. If three exchanges of views leave them still in disagreement, a joint session is held.

At this latter an equality of numbers as between the two Delegations is secured by the reduction of an excess on either side by lot ; no debate is allowed, and only an *ad hoc* vote is taken.

Subjects such as the tariff, commercial affairs, the military system, inter-State communications, money, coinage, etc., which under a federal system would fall within the sphere of the central Legislature, are legislated for by concurrent enactments of the two Parliaments. "The Delegations are practically confined in their action to voting supplies, and exerting a control over the administration. . . . In substance, therefore, the whole joint legislation of [Austria-Hungary] is a series of treaties, partly permanent and partly temporary, which cannot be changed or prolonged by any

common Legislature, but only by the contracting parties themselves." *

Administration of the common affairs of the Dual Monarchy.

Defence.—"The greater part of the armed force and the entire navy are common, but the Austrian Landwehr and Austrian levy-in-mass, and the Hungarian Honvedseg and the Hungarian levy-in-mass, although standing in organic connection with the common army, are special institutions administered by a particular Ministry in each State."

Commerical Union is not permanent, but renewable at intervals of ten years. "Under this arrangement the two States form practically one Customs and commercial territory, with the same coinage, weights and measures, a joint bank of issue, and the same commercial (consular) representation abroad, while the monopolies and taxes connected with industrial production (salt, tobacco, spirits, beer, sugar, and mineral oil) are administered on identical principles in both countries."

Finance.—"Each State provides separately for the assessment, collection, and transmission of its contribution (*i.e.*, proportion of the deficit of the common Customs revenue)." †

The Austro-Hungarian union is thus analysed by Lowell:—Two points are noticeable—(1) "the privileged position of Hungary, which pays [36·4]

* Lowell, *ibid.*
† "The Statesman's Yearbook," 1914.

per cent. of the expenses, and furnishes 41 per cent. of the troops, but is given one-half of the power by law, and practically enjoys even a larger share [by reason of the solidarity of the Hungarian Parliament as against the divisions prevalent in the Austrian] "; and (2) " There is no single authority that has power to settle anything, but every measure involves a negotiation between the two Delegations or the two Parliaments, and government becomes in consequence an endless series of compromises between legislative bodies belonging to different races which are jealous of each other. Moreover the true source of power lies in the two Parliaments, and to these the joint Ministers have no access. It is in fact specially provided that they shall not be members of either Cabinet. They are unable, therefore, to lead the Parliaments ; and that the Parliaments cannot control them was clearly shown in 1878, when the annexation of Bosnia and Herzegovina was carried through against the wishes of both Legislatures. The Ministers of Austria are at least nominally responsible to the Lower House of the Reichsrath, and those of Hungary are actually responsible to the Table of Deputies, but the joint Ministers are not in fact directly reponsible to any legislative body."

With reference to the commercial union of the two States, it may be noted that there is much the same conflict of industrial interests between Hungary and Austria as exists between the Dominions

and the United Kingdom. When the writer was in Austria in 1905 he learnt from a Hungarian that the maintenance of free trade between the two countries was regarded by Hungarians as economically injurious to their State. Hungary was less developed than Austria, and tariff protection against the established industries of Austria was necessary for the new industries by which the natural resources of Hungary were to be developed. On the other hand, commercial union suited Austria, because it enabled her manufacturers to compete successfully with those of Hungary in the Hungarian markets as well as in her own. The fact that Hungary makes this sacrifice of her economic interests accounts, no doubt, in part for her favoured political status in the joint monarchy.

It also suggests that in the event of closer union between the Dominions and the United Kingdom the former might be compensated for the economic loss incurred by them through the establishment of a system of free trade within the Empire, by the concession of political and financial advantages greater than those to which they would be entitled on a strictly numerical basis.

§ 3. The Principle of Ministerial Responsibility to Parliament.

The above account of the joint institutions of Austria-Hungary shows that what makes this system workable is the executive power of the

Crown. As, however, this power is inconsistent with the British system of parliamentary government, it is difficult to see how any possible development of institutions now existing in the British Empire can be based upon the Austro-Hungarian model. Once establish the principle of Ministerial responsibility to a representative Chamber, and the executive power of the Crown sinks into abeyance, only to be revived in a case in which it, and not the representative Chamber, reflects the will of the electorate. If, therefore, the Imperial Conference became a Chamber of delegates appointed by the Parliaments of the Empire, with Ministers for common affairs on the Austro-Hungarian model, these ministers would have to be responsible to the Chamber. They could not be responsible to the Crown, because this would mean that they would be responsible in reality to the United Kingdom Parliament (since the Crown acts upon the advice of Ministers responsible to this Parliament). But such a change would entirely alter the status of the Imperial Conference. No longer a consultative and advisory body, it would become at once a new Imperial authority—that is to say, a body representative, directly or indirectly, of the electorates of the United Kingdom and the self-governing Dominions, and as such within the sphere of common affairs independent of, and superior to, the Parliament of the United Kingdom.

The analogy, therefore, breaks down at once.

On the other hand, the Austro-Hungarian system suggests that a wider sphere might be found for the Imperial Conference within the limits of its present status of a consultative and advisory body. The Imperial Conference (with the Defence Committee) might be developed into a valuable agency for negotiations between the several Governments of the United Kingdom, the self-governing Dominions, India, the lesser Colonies, and the Protectorates. With this end in view, the meetings of the Conference might be made annual, representatives of the Governments of India, the lesser Colonies, and the Protectorates might be admitted, and the Conference endowed with a separate and permanent secretariat. At the same time the representative character of the Imperial Defence Committee might (if necessary) be similarly increased. Thus developed, the Imperial Conference might be expected to prove an efficient medium of negotiation between the Governments of the United Kingdom and the self-governing Dominions, and between these Governments and the local Governments of India and of the other provinces of the Empire departmentally controlled by the United Kingdom Government, upon such matters as commercial union or preferential trade within the Empire, contributions to the cost of the Imperial services upon a fixed or varying scale, the co-ordination of the Dominion and other local forces (land and sea) with the Imperial Army and Navy, the control and

development of communications, the passing of identical enactments for securing uniformity of the laws regulating personal and commercial relationships, etc.

The establishment of the machinery for the negotiation of these and similar measures would offer a prospect of removing one of the two great anomalies of the existing system—the payment of (practically) the whole cost of Imperial Defence by the Home British; but subject to these intergovernmental agreements it would leave the administration of the affairs of the Empire as a whole, and the determining of its relationships with foreign countries, in the hands of an Executive responsible, as now, to the Parliament of the United Kingdom.

While, therefore, such a development of the Imperial Conference might, and probably would, serve a useful purpose as a "half-way house" between the existing state of affairs and the creation of a new Imperial authority, the question remains whether anything short of a *pro rata* representation (direct or indirect) in a Cabinet-making and revenue-raising Chamber (or Chambers) of the Empire can give the Oversea British that active participation in the privileges and responsibilities of Imperial control which alone can make the Dominions "free" and "self-governing" States in the full meaning of the words.

To this question there can be only one answer.

The endeavour to reach organic unity through the development of these institutions is condemned to failure by the incompatibility of the institutions themselves with the British practice of parliamentary government. No expansion of their *personnel* such as would be effected by the invitation recently addressed by His Majesty's Government to the Dominion Governments to appoint representatives to serve on the Committee of Imperial Defence—an invitation which has been accepted in principle—will cure this inherent defect. No system of Imperial administration which does not give the Oversea British a right to vote for the election of the members of a Cabinet-making and revenue-raising representative Chamber will suffice to put them on an equality with the Home British, or restore to them the full rights of their British citizenship. And the same applies to the peoples of India, Egypt, and the Crown Colonies and Protectorates with the proviso, that in their case the admission to the Imperial franchise must be partial and gradual, not immediate and complete; since an enlarged Imperial Conference could not ever become an instrument for the gradual incorporation of these less advanced populations into a representative system of the Empire. And to make provision for this process is one of the essential and necessary qualities of an effective and permanent Imperial Constitution.

If, therefore, the reply to the preliminary question

is that the more difficult line of advance alone offers any prospect of reaching the goal, then it remains to consider the nature of the new Imperial authority, and the means by which it can be constituted.

CHAPTER II

Difficulties due to Conditions special to the British Empire

It has been assumed throughout these pages that the constitution of an organic union of the component parts of the British Empire is, for all practical purposes, equivalent to the application, by the white people of the Empire, of the federal, or dual, principle of government to the Empire as a whole. And it has been pointed out * that the fact that the British Empire has failed, up to the present, to apply this principle, whereas in recent years the States of Germany, the cantons of Switzerland, and three groups of British Colonies have all been able to form federal unions, is directly attributable to the existence of certain conditions in the former from which the latter are free. These conditions are :

(1) The wide separation by sea of its component territories ;

(2) The difference of race and civilisation of its various populations ; and

(3) The fact that an Imperial authority,

* Part I., Chap. I., p. 14.

however defective from an administrative point of view, is already in existence.

§ 1. The Attendance of Oversea Legislators.

To understand the difficulties created by these conditions we must picture the machinery of government which would be brought into operation by an application of the federal principle to the Empire.

A Central (or Imperial) Legislature, consisting of the Crown and two Houses of Parliament, with power to legislate for the common affairs of the Empire and to vote supplies for the Imperial services, would meet in London. In the Upper House the British Isles, the Dominions, India, Egypt, the Crown Colonies and Protectorates (singly or in groups) would be represented as States; in the Lower House there would assemble the representatives of the various peoples of the Empire, elected, directly or indirectly, by the respective electorates. The Ministers responsible to this Central Parliament for the administration of the chief departments of the Central Government, together with the Sovereign, would constitute the Executive; and the Judicial Committee of the Privy Council would serve as an Appeal Court for the Empire, with original jurisdiction in constitutional and inter-State causes. While, then, all the business of the Central Government would be thus transacted in London, some of the Ministers and from one-third

to one-half of the members of the Legislature would be the elected representatives of Oversea constituencies separated from London by ocean distances varying from 12,000 to 3,000 miles and by journeys lasting from six weeks to a week.

This would be the Central Government. Elsewhere, in the British Isles and Oversea, there would be State (or Provincial) Governments, severally charged with the administration of the affairs special to the various countries of the Empire. The United Kingdom Parliament, as we know it now, would have disappeared. It would have surrendered its Imperial powers to the new Central Parliament, and its State powers would have passed to the State Parliaments of England, Wales, Scotland and Ireland. The central and local Governments of the Dominions would remain much as before, with the exception that the former would have surrendered certain of their powers to the Central Parliament of the Empire, while the Governments of India, Egypt, and the Crown Colonies and Protectorates, would have acquired certain new powers.

Assuming that the Central Parliament was in session for only three months in each year, the Oversea members would have to spend from six to four months of the year away from their homes and their constituencies ; but in all probability a longer absence would be necessary. Here we are brought face to face with the question, how are young and

busy communities, such as the Dominions, to find the requisite numbers of men able and willing to serve in the Central Parliament of the Empire, and capable of bearing the strain of these long and frequent journeys ?

At first sight, therefore, the mere geographical conditions of the Empire seem to present an overwhelming difficulty for the working of such a system of government. Nevertheless, there are certain considerations which go to show that even this difficulty is not insurmountable, and there are methods by which the financial sacrifice and inconvenience of attendance at the Central Legislature can be reduced appreciably even for the representatives of the two most distant Dominions, Australia and New Zealand.

These considerations are :—

(1) If time-in-transit, not mileage, be taken as the true measure of distance from the constituencies, the Central Parliament, after all, will only be in the same position in this respect as was the Parliament of Great Britain after the legislative union of England and Scotland (1707) ; since at that time the Shetland Isles were as distant from London as New Zealand is to-day.* Moreover, this moral concentration, or contraction, of the area of the

* Under the Act of Union the two kingdoms of England and Scotland were united into one kingdom (under the name of the United Kingdom) with a single Parliament ; and 45 Scotch seats were added to the 513 English seats in the House of Commons, and 16 representative Scotch Peers to the 108 English Peers in the House of Lords.

Empire is increasing every year with the extension of railways, the acceleration of ocean-going steam- and oil-driven ships, and the perfecting and cheapening of postal and telegraphic (wireless and cable) communications.

(2) As it is, an appreciable number of Oversea British are resident, for longer or shorter periods, in the Metropolis of the Empire ; while a much larger number make a practice of visiting England at intervals for the purposes of business or pleasure. Australia, for example, is represented by the High Commissioner for the Commonwealth, and six Agents-General for the six States—all officials appointed for a term of years. The principal banks and industrial undertakings of the Dominions, India, Egypt, the Crown Colonies, and the Protectorates, have offices and representatives in London. Judges from the Dominions sit on the Judicial Committee of the Privy Council, and members of the Indian and Canadian Bars come to London to plead before it. The great Oversea journals have their London offices and representatives. Among the Oversea British who come to London now for such purposes there would be many who could combine professional work, or business affairs, with legislative duties ; while some Oversea members of the more leisured class would find it convenient to make England their principal place of residence for a few years, because of the opportunities it afforded for the education of their children.

The methods by which the attendance of Oversea representatives in the Central Legislature might be facilitated are as follows :—

(1) In all cases specially fast and well-equipped rail and boat services could be organised to run once or twice a year from the chief Oversea centres of population, out and back, for the convenience of members of the Central Legislature. It is in the case of Australia and New Zealand that the geographical separation is greatest. At present the journey occupies from six to four and a half weeks ; but in respect of the most populous (and eastern) States of Australia the period will be lessened shortly by the linking up of the railways of South Australia with the West Australian ports in a great trunk line traversing the Commonwealth ; * while in the case of both Dominions overland routes, more expeditious than the direct long sea voyages, have been developed—eastward across America *viâ* Vancouver and San Francisco, and westward across Europe *viâ* Brindisi and Naples. After the war therefore, provided that there is an effective demand, there is every reason to expect that the carriage of mails and passengers by these combined sea and land routes will be further and materially accelerated.

(2) Payment of members of a Legislature is almost universal in the Dominions, and the practice has been adopted by the House of Commons. It

* To be completed by the end of 1916, if the present rate of progress is maintained.

would be open to the Government of a Dominion to supplement the regular salary of its representatives in the Central Legislature by such additional living and travelling allowances, as would justify a sacrifice of private interests on the part of candidates for election, and enable the most distant constituencies to secure the services of competent men.

(3) The composition and times of session of the Central Legislature could be determined with a view to securing economy of *personnel* and services. Its business would be limited to the common affairs of the Empire, and for the transaction of such affairs one continuous session of from three to five months in each year would probably suffice. In any case, the number of seats in the Lower House to which any one Dominion would be entitled, would not be large at first. On the basis of a total representation for the Empire of 400, and for the 62,250,000 white population of 300 seats, there would be assigned to the 46,000,000 people of the British Isles 222 and to the 16,250,000 Oversea British 78 seats. Of these latter, Canada would be entitled to 40, Australia to 23, New Zealand to five, and South Africa to six seats. In the Upper House probably the numbers would be still smaller in the case of Canada and Australia. On this basis, however, the quota entitling the white population of the Empire to a member of the Lower House would be 205,000, or approximately that of the United States;

but it is obvious that, if a lesser scale of representation should be found to be more convenient to the Dominions, the membership of the Lower House could be reduced without impairing its efficiency. Indeed, an Imperial (white) quota of 500,000, producing a House of Representatives composed of 90 members from the British Isles, 30 from the Dominions, and 60 (one-third) from the rest of the Empire—180 in all, would have much to recommend it.

§ 2. The Representation of the Non-European Peoples.

The second of the conditions special to the British Empire—the differences of race and civilisation in its various peoples—may, and probably will, make it impracticable for the present, and for many years to come, to grant to the native races of India, Egypt, South and Central Africa, and the West Indies, the right of electing persons of their own race to represent them in the Lower House of the Central Legislature. In respect of the Upper House, however, the position would be different. Here the component States (or provinces) would be represented as States, and it would be for the respective Governments of the several States to determine in each case the methods by which the seats assigned to them were to be filled up. There would be nothing, therefore, to prevent the Governments of India, and of other non-European States of the Empire, from selecting their respective repre-

sentatives in this Chamber by the method of nomination; and, since these Governments would be unlikely to choose any but fully competent persons, it would be possible to allow natives of these States, who had attained the standards of European civilisation, and were otherwise qualified for such positions, to be eligible for service in the Upper House of the Central Legislature. Indeed, both the desire to increase the representative character of the Central Legislature, and the long-established policy of British statesmen to do everything possible to secure the gradual progress of the native races towards self-government, would cause such persons to be nominated whenever possible.

But whether the principle of limiting the membership of the Lower House to persons of European descent be adopted or not, the representation of non-European populations in an elective Chamber is not a new problem, but a matter in respect of which the Empire affords a storehouse of experience.

It is India, of course, with its 300,000,000 people, that presents the salient difficulty. If India received a representation proportionate to its population, it would elect three-fourths of the members of the Lower House; and as these Indian members, if they combined, would always form a majority, no Ministry which had not secured the Indian vote could take, or hold, office. In other words, India would rule the Empire. Obviously, therefore, no one could propose that seats should be

allotted to India on the same numerical basis of population as to England or New Zealand. There is, further, the fact that the vast majority of the people of India are illiterate and unversed in the methods of constitutional government; and in view of this fact the attempt to give them any voice at all in the choice of their representatives might well be regarded as hopeless. For if the mass of the people of India (it may be argued) are to have no voice, or practically no voice, in the choice of the Indian members of the Central Legislature, then the representation of India will be a pretence; and it would be far better to exclude frankly her people, and the other non-European peoples, from any share in the government of the Empire, than to set up a mere constitutional fiction of this kind.

The object to be attained is, therefore, to find an electoral system which will give the real people of India an effective representation in the Lower House of the Central Legislature, without endangering the control of the European States over it, or otherwise lowering its efficiency as the chief organ of Imperial Administration.

For the attainment of this object, and generally in determining the methods by which the non-European peoples of the Empire can be represented in the Lower House, three main precedents are provided by the experience of New Zealand, South Africa, and Egypt.

In New Zealand the Maoris, the small, and almost

stationary, native population, have been granted a direct, limited, representation in the House of Representatives from 1867 onwards. The native electoral districts are separate from the European—*i.e.*, only Maoris can become electors in the Maori constituencies, and no Maori can vote in a European constituency. The franchise—male and female adult suffrage—is practically the same for both races, and in each case only adult male registered electors are eligible for membership of the House of Representatives. The original number of seats assigned to the Maroi population was four. At the present time, however, when the total number of seats in this House is fixed at 80 (of which four are Maori and 76 European electoral divisions) and the respective populations were returned by the census of 1911 at 49,844 and 1,008,468, the Maoris have as full a representation as they could claim on a strict numerical basis. In this Dominion, therefore, at the moment the native population is represented in the Lower House of the Legislature by persons of their own race, who are elected by this native population under almost precisely the same conditions as the European members of the Chamber are elected by the European population.

The experience of South Africa is especially suggestive, since the proportion of the European to the non-European population both in the Cape Province (1 to 4), where non-Europeans are admitted to the franchise, and in British South Africa

as a whole (1 to 6), is approximately the same as in the Empire (1 to 6). In framing the Union Constitution the delegates to the National Convention were unable to reach an agreement on the question of the representation of the non-European population ; and it was decided, therefore, to maintain in each province the electoral status of the non-European population as it existed prior to the Union, with the proviso that only persons of European descent were to be eligible for election to the Union Parliament. As the result of this compromise non-European persons are virtually * excluded from the Union (and Provincial) franchises in all provinces but that of the Cape. On the other hand, a slight degree of representation in the Upper House of the Union Parliament was secured to the non-European population as a whole by a provision in the Constitution, which directs that one-half of the eight nominated senators " shall be selected on the ground mainly of their thorough acquaintance, by reason of their official experience or otherwise, with the reasonable wants and wishes of the coloured races in South Africa." At the date of the first general election of members of the House of Assembly (1910) the number of the parliamentary electors in the Cape province was returned as

* In Natal Province every male British subject is entitled to be registered as an elector, provided he has the requisite qualifications. But in the case of a non-European the process of qualifying is so lengthy and onerous that very few natives or coloured persons have succeeded in obtaining the franchise. In 1903 there were 266 non-European voters in Natal.

143,367, of whom 121,346 were European, and 21,021 non-European. The latter figure, therefore, would be practically the total of the non-European electors of the Union; and as the total of the European electors was approximately 300,000, and the totals of the non-European and European populations respectively 4,500,000 and 1,250,000, the proportion of the non-European population of the Union to receive the franchise would be (approximately) 1 in 200, as against 1 in 4 in the case of the Europeans.

In the Cape province itself, however, in which, as being the oldest colonised province of the Union, the greatest progress has been made in the education of the native and coloured peoples, the relative proportion would be much higher (1 in 100, as against 1 in 5). Here, it must be noted, apart from the grant of the parliamentary franchise, the process of training the non-European population for constitutional government is being carried on by the establishment of a simple but effective system of local self-government in the native areas. At the same time the European population of the (former) Cape Colony never contemplated the admission to the franchise of the non-European population, as a whole, on a basis of equality with themselves.

Although the voters' qualifications were the same for the non-European as for the European inhabitant, the electoral system was provided with safeguards intended to prevent either the premature enfranchisement of the non-European population

or any menace to the continued control of the Legislature by the European electors. Two methods were adopted to regulate the entrance of non-Europeans into the electorate of the Cape Colony. In the first place the electoral qualifications were kept at a higher level than was customary in Colonies where the population was (almost) wholly European, as is the case in Australasia and Canada, and in particular included an education test. Thus at the date of the Union (1910) every adult male British subject (irrespective of colour) was entitled to be registered as an elector, provided that (1) he could sign his name and write his address and occupation ; and (2) had occupied for not less than twelve months property of the value of £75, or been a joint occupier of property of higher value, the part of which occupied by him had been of the value of £75 ; or (3) been in receipt of wages, or of a salary, of not less than £50 per annum, with no interval of more than one month between successive situations. In the second place, prior to the Union the value of the non-European vote was reduced to approximately one-third of that of the European vote. This was effected by a departure from the basis of numerical equality in the distribution of seats, in both Chambers of the Cape Legislature. Thus in the eastern part of the Colony, which contained the mass of the non-European population, a member of the Legislative Council was apportioned to mixed constituencies numbering an average of

respectively 227,492 non-European and 18,065 European inhabitants ; and a member of the House of Representatives was apportioned similarly to constituencies of 56,873 non-European, and 4,516 European, inhabitants : whereas in the Colony as a whole the average number of inhabitants represented by a single member of the Legislative Council or House of Representatives was 69,352 and 20,076 respectively.*

The admission of the non-European population to the franchise, whether under the Cape or another system, was not acceptable, however, to the other provinces of the Union, chiefly because the non-European populations of these latter were less advanced in civilisation ; and (as noted above) as the result of this disagreement, under the Union Constitution natives and coloured persons are admitted to the parliamentary franchise in one province only, where they are placed in this respect on the same footing as the Europeans. Nevertheless, the ultimate solution of the problem of the representation of non-European populations in South Africa, as in the Empire at large, will be found in all probability to consist in an application of the principle of limited representation established in New Zealand. An example of the methods by which this principle could be put into effect in South Africa—and elsewhere—is afforded by the system actually recommended for the concurrent

* "South Africa ; a Study, etc." (by the writer). Ed. 1897, p. 181.

adoption of the South African Colonies by the Inter-Colonial Commission on Native Affairs of 1903—1905. The whole section of the Report* dealing with the subject of "representation" merits careful study, but only the paragraphs in which the conclusions of the Commissioners on this head are summarised can be quoted here.

"The system suggested . . . is one which has stood the test of many years experience in another British Colony, and it embodies an idea which pervades most of the most thoughtful evidence on the subject laid before the Commission. The central idea of the scheme, in favour of which there is entire uniformity among the members of the Commission, is separate voting by native electors only for a fixed number of members to represent them in the Legislatures of the country, with the same status as other members; the number and qualifications of such members to be settled by each Legislature, the number not to be more than sufficient to provide an adequate means for the expression of native views and the ventilation of their grievances, if any, and not to be regulated by the numerical strength of the native vote; no native to vote at the election of any candidate or member who is to represent Europeans. . . ."

Therefore the Commissioners resolved (*inter alia*):

"(1) (*c*) That in each Colony . . . there should be created an electoral district or districts in which native electors only shall vote for the election of a member or members to represent them in the

* Cd. 2,399 (South Africa).

Legislature, and that there should be separate voters' lists and separate candidates for natives only, but that this should in no way affect the franchise, the voters' lists, or the representation of the European community within such districts.

"(*d*) That the qualification for the native voter be the same as for the European.

"(2) That the qualification of the member or members to represent the natives should be determined by each Legislature."

In respect of the last two recommendations, it will be observed that the question, whether the non-European populations should elect men of their own race, or Europeans, to represent them, was left to be decided by the several South African Legislatures (the Commission reported some five years before the date of the Union), and that the franchise qualifications were to be the same for non-European, as for European, electors. The elasticity of the first conclusion is obviously desirable, since it permits each State to judge whether its non-European population does, or does not, include persons competent to perform the duties of a member of Parliament. But the second is of doubtful validity even in South Africa, and it could hardly be applied to the Empire at large. To admit the peoples of India to the Imperial franchise on a basis of the present qualification for Europeans, which results virtually in manhood * suffrage, would result in the creation of monstrously large constituencies of

* In Australia and New Zealand in "womanhood" also.

utterly incompetent voters. Lord Milner's opinion on this subject, which has been preserved fortunately, contains an alternative proposal which may help materially to solve the question of the representation of non-European populations in an Empire Parliament.

In a private letter, written at the time when the Native Affairs Commission was taking evidence, he advocated the constitution in each (South African) Colony of a separate Native Council, composed of natives elected by natives, which possibly might have "a limited legislative power. . . . This for the native in his native state. . . . For the civilised native, a *coloured man*, living among civilised men in a civilised way—not as a labourer, but in some higher condition of life, at least as an independent trader, or as a teacher or professional man—all colour disabilities, political, or other, should be cancelled. Property and a high education test would be essential conditions. I never can see why the property and education tests need be identical for black and white. I should deliberately and quite frankly make them *higher* for the black, and I am prepared to justify this. But whatever the standard proposed, let there be some standard the attainment of which will relieve the coloured man, of whatever race, from all *legal* disadvantages, as compared with the white. . . . The bulk of the natives, electing representatives of their own, the pick of the natives (and coloured people) . . .

voting like us—that seems to me the double principle on which the problem should be tackled." *

The experience yielded by Egypt provides a method whereby the admission of non-European populations to representation in the Legislatures of otherwise European States, as practised in New Zealand and South Africa, may be made capable of application to the question of the representation of India and Egypt in an Empire Parliament.

In Egypt, under the new Organic and Electoral Laws of 1913, there has been added to the representative institutions for local government (the municipal and provincial councils) a mainly elective Chamber, styled the Legislative Assembly, composed of 6 *ex-officio*, 17 nominated, and 66 elected members. The composition of the Assembly has been carefully planned. The 6 *ex-officio* members are Ministers in the Government ; the 17 nominated members are directed to be chosen in such a manner as to secure the representation of minorities and interests not represented by the elected members ; while at the same time the elective element is so large as to provide one representative for approximately every 200,000 inhabitants. The Assembly has certain limited powers of initiating legislation, but its main function is to discuss the legislative and administrative proposals laid before it by the Executive, *i.e.*, the Council of Ministers, and

* This letter is printed in Vol. II., p. 205, of " The Reconstruction of the New Colonies under Lord Milner " (by the writer). (Kegan Paul : London, 1913.)

generally to advise the Government upon measures affecting the internal affairs of the country. To ensure the effective performance of this function, the Organic Law makes it obligatory "that any legislation proposed by the Government, in respect of which there is a conflict of opinion between it and the Assembly, shall be discussed publicly at least three times in the Assembly, and once form the subject of a conference between the Assembly, resolved into committee, and the Government, as represented by the Council of Ministers." *

But what is especially noteworthy is the method adopted for the election of the sixty-six elective members of the Legislative Assembly. The object of the new Electoral Law, put quite frankly, was to break down the control over the former Legislative Council † obtained by the small Turco-Egyptian class—the ruling class in Egypt prior to the British occupation—and to induce the real Egyptians, and especially the fellaheen, to take an interest in the administration of the country, and exercise through their representatives in the Assembly the influence to which they were entitled by their numbers and economic importance. The electoral

* I quote here (and below) from the chapter entitled "Lessons in Self-Government" in my last book on Egypt, "The Future of Egypt," published in *The Nation's Library* by Messrs. Collins, in 1914. A full account of the new (Kitchener) Constitution will be found there.

† Under the new Organic Law a single Legislative Assembly (constituted as stated above) was substituted for the Legislative Council and General Assembly recommended by Lord Dufferin, and constituted by the Organic Law of 1883.

system, introduced with this object in view, is as follows :—

"(1) The whole country is divided into sixty-six electoral areas (*circonscriptions*), each of which contains approximately 200,000 inhabitants.

"(2) Every group of fifty electors (*i.e.*, virtually all adult males, except foreigners or persons convicted of disqualifying offences) elects one elector-delegate.

"(3) The (approximately) 800 electors-delegate of each electoral area, being in the proportion of one to every (say) 250 inhabitants of the electoral areas, respectively elect one of the sixty-six elective members of the Legislative Assembly.

"(4) The election is by absolute, not relative majority, with provision for a second ballot, if necessary ; that is to say, if on the first ballot no candidate obtains an absolute majority of the votes cast, in the week following a second ballot is held between the candidates who have secured the largest number of votes. On the second ballot the candidate who obtains a relative majority of the votes cast is elected."

The essential feature in this system is the indirect election, or election in two degrees, of the members of the Chamber, and the consequent interposition of the elector-delegate between the politically ignorant villager or town labourer and the candidate. All primary electors who are thirty (or more) years of age, are eligible for election as electors-delegate ; and these latter are elected for the same term as the member of the Assembly, viz., six years. To secure

the effective performance of the duties of an elector-delegate, the Electoral Law " makes it obligatory upon an elector-delegate to put himself into communication with the fifty electors whom he represents, with a view of ascertaining which candidate, or candidates, the majority of them prefer, whenever an election of a member of the Legislative Assembly is about to take place. The proper observance of this duty is enforced by an earlier article (13, par. 4), which provides that whenever an election to a vacancy in the Assembly or one of the Provincial Councils * occurs, any elector-delegate, if a majority of the fifty electors whom he represents make a demand in writing to this effect, must submit to a fresh election for the purpose of determining whether he is to be replaced or maintained in office."

The new Electoral Law of Egypt is, therefore, excellently devised to stimulate the Egyptian people, as a whole, to take an intelligent interest in public affairs. As an Imperial precedent, its value lies in the fact that it provides a method of applying the principle of government by representation to non-European populations, such as those of Asia, which, though considerably more advanced in civilisation than the natives of South and Central Africa, are yet far inferior in political experience and general intelligence to any of the European populations of the Empire.

* The members of the Provincial Councils are elected under the same (indirect) system.

§ 3. The Imperial Functions of the United Kingdom Parliament and Government.

The last of the three conditions which differentiate the British Empire from the groups of States or Colonies out of which federal unions have been formed hitherto, is the pre-existence of a Central and Imperial authority. The effect produced by this condition is, broadly stated, to make it necessary, if a federal system is to be constituted, for the United Kingdom and the self-governing Dominions to make sacrifices differing in kind and degree from the normal sacrifices involved in the surrender by a State of part of its sovereign powers to a federal authority. The former is at present the one sovereign State in the Empire, its Government is the Imperial Government, and its electorate is the ultimate repository of the power in virtue of which this Government acts. The people of the United Kingdom, therefore, will be called upon not merely to surrender a part of the sovereign powers of their State, but to descend from the Imperial status of a people governing other peoples, and accept the new status of a people organically united with other peoples upon a basis of equal rights, and having no political superiority other than such as is derived from the larger representation in the common Legislature and Executive to which they are entitled, as constituting three-fourths of the European population of the Empire. The peoples of the

Dominions will be required to surrender the exemption from Imperial taxation, which they have enjoyed hitherto in virtue of their subjection in Imperial affairs to the Parliament of the United Kingdom—a Parliament in which they have never been represented. In the case of each sacrifice, it is true, there is compensation to be offered, and an anomaly to be removed. The Home British will no longer be required to bear—apart from voluntary contributions to the Navy and the charges borne by India—the entire cost of the Imperial services; the Oversea British will obtain the representation in the Executive and Legislature of the Empire to which they are entitled by their population and wealth.

But, in addition to the special political sacrifice of the United Kingdom and the special financial sacrifice of the Dominions, further sacrifices of independence will be required on both sides. Such sacrifices are required of any State upon entering a federal union, but the circumstances of the British Empire render even these normal sacrifices more than ordinarily difficult. The United Kingdom Government, although it is the Government of the Empire, owing to the promiscuous delegation of its powers to the Dominion Governments, has parted with its right to control the fiscal policy of the Dominions. A fiscal policy based upon the economic conditions of the Empire as a whole, therefore, has never been possible; and, the economic

conditions of the Dominions being entirely different from those of the United Kingdom, the Oversea and Home British have pursued separate, and, for the most part, directly opposite, fiscal policies. Hence the economic schism between Great and Greater Britain. The consequences of this schism may be summarised as: (1) the loss to the Empire of a great part of the surplus capital and population of the British Isles; (2) the employment of this surplus capital and labour in augmenting the resources of foreign States; and (3) the resultant check to the economic and political progress of the Dominions.

The facts are not in question. Despite the peremptory refusal to depart from the system of Free Imports given by the United Kingdom Ministers at the Conference of 1907,* we find in the speech of Mr. Lloyd George (then Chancellor of the Exchequer) at this same Conference a remarkable recognition of the evils which, in the opinion of the Dominion Ministers, would be remedied by a system of Preferential trade. The testimony is so striking that it will bear quotation.

"We heartily concur," said Mr. Lloyd George, "in the view which has been presented by the Colonial Ministers, that the Empire would be a great gainer if much of the products now purchased from foreign countries could be produced and purchased within the Empire. In Britain we have the greatest

* See Part I., Chap. III., pp. 66, 73.

market in the world. We are the greatest purchasers of produce raised or manufactured outside our own boundaries. A very large proportion of this produce could very well be raised in the Colonies, and any reasonable and workable plan that would tend to increase the proportion of the produce which is bought by us from the Colonies, and by the Colonies from us and each other, must necessarily enhance the resources of the Empire as a whole. A considerable part of the surplus population of the United Kingdom, which now goes to foreign lands in search of a livelihood, might then find it to its profit to pitch its tents somewhere under the Flag, and the Empire would gain in riches of material and men. We agree with our Colonial comrades that all this is worth concerted effort, even if that effort at the outset costs us something. The federation of free Commonwealths is worth making some sacrifice for. One never knows when its strength may be essential to the great cause of human freedom, and that is priceless." *

The electorate of the United Kingdom and each of the several electorates of the self-governing Dominions will be required, therefore, to surrender in a greater or lesser degree this power to pursue a fiscal policy which, however beneficial to a single State, is injurious to other British States and to the Empire as a whole.

Such a surrender, as stated before, is a normal incident in the creation of a federal system of administration, but two circumstances make it

* "Minutes of the Proceedings of the Colonial Conference," 1907; Cd. 3,523.

especially difficult: (1) the trade interests of the United Kingdom are incomparably greater than those of any Dominion, or of all the Dominions combined; and (2) the economic conditions of the United Kingdom and those of the Dominions are not merely different but antagonistic. Here, then, we approach the central issue in the problem of Imperial consolidation. It is obvious that no change can be made in the existing status of the United Kingdom or in that of the Dominions, unless it is one that will command the support of a great majority of the citizens in each of the several electorates concerned. The consideration of the third differentiating condition resolves itself, therefore, into an examination of the conflict of interests between the Oversea and Home British, and of the extent of the sacrifices necessary to change it into an identity of interests. The results of this examination are all-important, since, if it can be shown that the sacrifice required of each State can be reduced to a point at which it will be exceeded by that State's share in the common gain of all the States, then, and then only, will there be a prospect of rendering the proposed changes of status acceptable to the electorates of the several States. But unless, and until, this prospect exists, it would be useless to hold a convention of Home and Oversea British delegates, or to take any other action for the purpose of framing a Constitution for the Empire.

First as to the conflict of interests. The great

mass of the people of the United Kingdom are employed in the manufacture of articles of commerce from raw materials. For the purpose of this manufacture she requires a cheap supply of (1) raw materials and (2) foodstuffs. It is her practice, therefore, to admit imported raw materials and foodstuffs (with certain exceptions) free of duty, and to make no distinction between the supplies raised by British subjects within the Empire and supplies raised by foreigners. As the result of this practice, during the last fifty years an increasing proportion of her population has been withdrawn from agriculture and employed in manufactures, and an increasing area of her land has been turned from plough to pasture. At the same time she has extended the practice of the free admission of raw materials and foodstuffs to manufactured articles, believing that the gain to the community, arising from the ability of the consumer to purchase such articles when of foreign manufacture at a less price than similar articles of home manufacture, is greater than the loss to the community arising from the failure to employ United Kingdom capital and labour in the manufacture of an equivalent supply of the same or similar articles.

In the Dominions, on the other hand, the great mass of the population are employed in the production of foodstuffs and raw materials, and a relatively small proportion of them in manufactures. Here then—and the conditions are virtually

identical in all the Dominions—where food is cheap and abundant, and imported supplies of food are little needed, it is the practice to tax imports freely, and the proceeds of the Customs form the principal item in the revenue of the State. Moreover, heavy duties are placed on manufactured articles (generally lowered in favour of imports from the United Kingdom or from elsewhere within the Empire) for two reasons. Indirect taxation by import duties is held to be a more convenient method of raising revenue than direct taxation upon incomes; and, without the protection thus afforded, it is very difficult, or impossible, to establish manufacturing industries in young countries such as the Dominions. For this latter reason, —and since it is considered that the employment of a certain proportion of the population in manufactures, as against the almost exclusive employment of the population in agriculture, stock-raising, and mining, is desirable in the general interests of the community,—the Government of a Dominion makes it its duty to foster by tariff protection, and other methods of State direction, the establishment and maintenance of manufactures whenever there is a reasonable prospect of their ultimate economic success.

So long, therefore, as the fiscal policies of the United Kingdom and the Dominions continue to be separate, being based respectively upon different economic conditions, this conflict of interests will

not only remain, but become more acute with the passing of the years. As it is, the United Kingdom, by refusing to give to the foodstuffs and raw materials of the Dominions any advantage over those of foreign countries, lessens the ability of the Oversea British to develop the resources of their several States; while the Dominions, equally pursuing the separate interests of their own people, by refusing to admit the manufactures of the United Kingdom free of duty, inflict the like, though less serious, injury upon the Home British.

In view of this conflict of interests between the Oversea and Home British, and the political relationship now obtaining between them, the sacrifices required to achieve a federal union would be :—

I. Ordinary (*i.e.*, such as are required of all federating States) :

On the part of the United Kingdom—

The abandonment of so much of the practice of free imports as will allow it to give a preference to Dominion products.

On the part of the Dominions—

(*a*) The surrender of so much of their Customs revenue as would be lost by the more free admission of United Kingdom manufactures ;

(*b*) The abandonment (partial or complete) of the policy of fostering the establishment of new industries by tariff protection.

II. Extraordinary (*i.e.*, due to conditions special to the British Empire) :

On the part of the United Kingdom—

The surrender of its exclusive Imperial powers.

On the part of the Dominions—

The surrender of their exemption from Imperial taxation.

A point has been reached now at which it will be convenient to summarise the conclusions of this and the preceding chapter. They are as follows :—

(1) The administrative unity of the Empire can be attained only by the creation of a new Imperial authority.

(2) The constitution of an organic union of the component parts of the British Empire is equivalent to the application, by the white people of the Empire, of the federal, or dual, principle of government to the Empire as a whole.

(3) As compared with existing federations, the process is rendered difficult by three conditions special to the members of the British Empire : viz. (*a*) Separation by sea, (*b*) Difference of race and civilisation, and (*c*) the pre-existence of an Imperial authority.

(4) The difficulties created by conditions (*a*) and (*b*) are not insoluble, but condition (*c*) requires sacrifices from the United Kingdom and the self-governing Dominions which differ in kind and degree from those normally made by States upon entering a federal union.

(5) The possibility, or the reverse, of reducing the sacrifice required from each of these members of the Empire to a point at which it can be shown to the electorate concerned to be exceeded by the member's share in the common gain, is the central issue in the problem of Imperial consolidation.

(6) The sacrifices required respectively from the United Kingdom and the Dominions are as tabulated above.

It remains, therefore, to consider these sacrifices *seriatim*, and to weigh them against the share of the advantages of Imperial administrative unity which is likely to accrue to each of the British communities concerned.

CHAPTER III

The Sacrifices required of the United Kingdom

The sacrifices required on the part of the United Kingdom are (1) the abandonment of her practice of free imports to the extent necessary to give preferential treatment to imports from the Dominions, and (2) the surrender of her exclusive Imperial powers.

§ 1. The Abandonment of the Practice of Free Imports.

As regards the first of these two sacrifices, it must be remembered that, independently of the question of Imperial unity, the change of fiscal policy thus required has been approved, under the name of "Fair Trade" and "Fiscal Reform," by a large proportion of the electors of the United Kingdom. The economic grounds upon which it has been advocated are:—

(1) The relative and absolute decline of the number of persons employed in agricultural industries, resulting from the free importation of foodstuffs in direct competition with those of Home production, has caused a migration from the country districts to the towns and town areas

which is detrimental to the moral and physical well-being of the nation.

(2) The reduction of the home-grown food supply (*e.g.*, in the case of wheat from approximately three-fourths to one-fifth (in 1914) of the consumption), and the consequent almost complete dependence of the United Kingdom upon Oversea supplies, constitute a national danger both from an economic (and financial), and from a political (and strategical), point of view.

(3) The free admission of foreign manufactures, when United Kingdom manufactures are subjected to heavy import duties upon entering foreign countries, puts the United Kingdom workmen and manufacturers at an unfair disadvantage in the battle of life. To continue to do this as an application of the economic doctrine of Free Trade, when the United Kingdom practice has failed to bring about the free interchange of its commodities with those of other nations, is to cherish a harmful delusion, and to be blind to the fact that, until the military *régime* has given place to an industrial *régime* throughout the world, the fiscal policy of nations will be governed by political and military, as well as economic, considerations. Hence the protest against the unwarranted application of the economic term " Free Trade " to the United Kingdom practice of free imports, which is contained in the words " Fair Trade."

(4) The practice of free imports (in conjunction

with defective Patent Laws) has resulted in the complete destruction of certain minor industries, and the consequent dependence of the consumer, and in some cases of the major industries of the United Kingdom, upon foreign production for commodities formerly produced within the United Kingdom itself. This, as in the case of the decline of the home-grown food supplies, is held to be both economically and politically unsound.

We may assume, therefore, that there will be found in the United Kingdom a large body of opinion frankly favourable to the required change of fiscal policy. But we must assume no less that to a majority of the electorate the change will involve a "sacrifice." What, then, is the nature of this sacrifice, and what are the compensating gains ?

In view of the fact that, speaking broadly, the Oversea British do not export manufactured articles, the free admission of foreign manufactures into the United Kingdom does not affect the question ; for, although it is very unlikely that the practice of free imports would be changed in the case of foodstuffs and raw materials without being changed also in the case of manufactured articles, this latter change is not necessary for the preferential treatment of the bulk of the imports from the Dominions in the Home market. The sacrifice will be confined, therefore, to results directly attributable to the imposition of duties upon such foreign foodstuffs

and raw materials as compete with similar commodities raised in the Dominions.

The objections to the practice of free imports, stated above, are based upon past experience, and, as such, capable of verification or rebuttal by reference to ascertained facts which are within the knowledge of all intelligent observers of public affairs. But in formulating the "results" now under consideration we are on less easy ground. Here, too, we have the past experience of our own and other countries to guide us; but in the nature of things—since we deal with the future and not with the past—any conclusions which we may form are mere forecasts, subject to the modifying influences of future events and therefore incapable of proof or disproof. In the face of this uncertainty the most that can be said is, that if the calculations which support the practice of free imports should prove to be right, to make foreign foodstuffs and raw materials subject to duty upon importation into the United Kingdom would produce the following results:

(1) The price of food, and of all necessaries of life in the price of which labour is an element, would rise. The fact that the rate of wages would have to be raised to meet the rise in the cost of living to the workman would increase the cost of production of all manufactured articles; and in the case of such as are made from raw materials imported from foreign countries in competition with the Dominions,

the cost of production, probably, would be increased further by a rise in the price of such raw materials. Assuming, therefore—what is, however, by no means certain—that the price of the foodstuffs and raw materials subject to duty would be increased to the United Kingdom consumer by the full amount of the duty (or duties) imposed, and that to be effective the duty must be substantial, the resultant rise in the price of food and many other necessaries of life would range from 10 to 15 per cent.

(2) There will be a diminution of exports to foreign (protected and unprotected) markets; since the increased cost of production (caused as above) will reduce the output of commodities which can be produced in the United Kingdom at a cost low enough to secure a sale in these markets and yet yield a profit to the manufacturer.

Undoubtedly, if the operation of the causes which tend to produce these results was unchecked, the grant of a preference to Dominion products would lead to an increase in the cost of living and a decrease of employment. But in point of fact these causes would be subject to the following modifying influences:

(1) The abandonment of the practice of free imports in the case of foreign foodstuffs and raw materials would be accompanied, or preceded, almost certainly by the abandonment of the practice in the case of foreign manufactured articles.

Assuming that substantial duties were placed upon foreign manufactures, the gain of a greater or less proportion of the home market formerly supplied by foreign workmen, would compensate, in whole or in part, for the decrease of employment caused by the reduction of the United Kingdom exports to foreign countries.

(2) In view of the very large increase of the Canadian and other Dominion food supplies in recent years, it is doubtful whether even a substantial duty on foreign foodstuffs would raise the price of food to the United Kingdom consumer ; but if it does, the increased price of foodstuffs would lead to the development of the United Kingdom agricultural industries, and this, together with the revival of lesser industries (*e.g.*, Whitby jet) crippled or destroyed by the practice of free imports, would give employment to the labour released from the major industries (cotton, woollens, hardware, machinery, etc.), and industries ancillary to them, through the contraction of the output of manufactures for foreign countries. This transference of a part of the population now employed in the great industrial centres to the small towns and country districts, if it took place, would be morally and physically beneficial to the nation ; while at the same time it would tend to check any sudden rise in wages due to a rise in the price of food, since the cost of living (especially in such items as house rent, fuel, fruit and vegetables) is lower in small

towns and country districts than in great towns and industrial centres.

(3) The stimulus to the growth of the Dominions in population and wealth, due to the grant of a preference in the United Kingdom markets, would cause an increased demand for the manufactures of the United Kingdom, which would tend to counter-balance any loss of foreign markets, whether due to an increase in the cost of production of such manufactures or to other causes. The value of this prospect of an increased demand may be seen from the table * below, which shows both the far greater

Census Year.	White Population (in Millions).	Imports from the United Kingdom per Head of Population (in £).	Exports to the United Kingdom per Head of Population (in £).
		AUSTRALASIA.	
1891	3·9	6·46	7·92
1901	4·6	5·78	4·47
1911	5·4	7·45	10·42
		BRITISH NORTH AMERICA.	
1891	5·0	1·44	2·51
1901	5·5	1·46	3·65
1911	7·4	2·73	3·51
		UNITED STATES.	
1891	55·1	0·58	1·76
1901	66·8	0·30	2·07
1911	81·7	0·38	1·47

* Taken from Cd. 7,173 (Royal Commission on Dominion Resources, etc.).

amount per head of population purchased from the United Kingdom by the Dominions as against the United States; and the fact that, while their purchase is increasing, that of the United States is decreasing.

A further effect of the grant of a preference would be to promote the employment of the surplus capital and labour of the United Kingdom in the Dominions (and elsewhere within the Empire), and thereby to hinder such British capital and labour from being, as heretofore, not merely lost to the Empire, but actually used to assist the growth of foreign—and enemy—countries. The opportunity of migration to the Dominions under these favourable conditions, thus presented, would counteract further the effects of any loss of employment in the United Kingdom arising from a reduction in the export of manufactured articles to foreign countries.

(4) The more rapid development of the Oversea British in population and wealth would increase automatically the proportion of the Imperial taxation borne by them, and thereby the extent of the relief from such taxation afforded to the Home British. This further * reduction of taxation due to the accelerated development of the Dominions would tend, directly and indirectly, to decrease further the cost of living to all classes of the United Kingdom population.

* I write "further" to maintain the distinction between this relief and the original relief of taxation to be obtained by the United Kingdom as the result of the surrender of its exclusive Imperial powers.

In making up the balance-sheet of profit and loss it must be remembered that a rise in the cost of living of 10 per cent. is not an unheard-of experience. It actually happened in the decade 1903–1913, which was a period of a great industrial activity; and the first year of war has brought a rise of 30 per cent. It should also be noticed that the political and economic movements caused by the war in the British Empire, so far as they can be estimated at the moment, all tend to facilitate a change in the fiscal policy of the United Kingdom.

With these considerations before us, it would seem to be not unreasonable to conclude that the sacrifice required of the people of the United Kingdom in the abandonment of so much of the practice of free imports as would be necessary to grant preferential treatment to imports from the self-governing Dominions, at the most would consist in :

(*a*) A temporary rise in the price of the necessaries of life.

(*b*) A temporary loss of employment in manufactures.

(*c*) The imposition of duties upon imports of foodstuffs and raw materials would be accompanied (or preceded) by the imposition of duties upon manufactured articles imported from foreign countries.

(*d*) The period of industrial readjustment

would be short, not exceeding a decade in all probability.*

And that when this period had been completed

(*e*) The price of the necessaries of life would fall to a lower level than that of 1913–1914.

(*f*) Employment would be more wholesome as well as more abundant for manual labourers; and the prosperity of all classes of the United Kingdom population would be established upon a firmer economic basis than that upon which it rested under the system of free imports.

§ 2. The Surrender of its Imperial Powers.

The second sacrifice required of the United Kingdom is the surrender of its exclusive Imperial powers. Here again a change in the legislative and administrative system of the United Kingdom, similar to that required to give effect to this surrender, is advocated in the interests of the United Kingdom itself. There will be found, therefore, a body of public opinion prepared to support the reconstruction of the existing Imperial Parliament on grounds other than the mere desire to secure the organic unity of the Empire. These grounds may be summarised as: (1) The need of a

* According to a (former) representative of an industrial district of England (Sir J. Rolleston, in a letter to the *Globe* of September 3, 1915), this readjustment has already taken place as the result of the war. He writes: "Adherence to Free Trade (after the peace) would probably lead to revolution. The people cannot allow their country to be made the dumping ground for Central Europe. Both for revenue and protective purposes we must impose tariffs, as without them it seems as though we could not survive."

more efficient machinery for legislation and administration in view of the congestion of business in the House of Commons—a congestion which leads to the neglect alike of Imperial and United Kingdom business. (2) The need to recast both the existing electoral system under which the House of Commons is elected and the House of Lords. (3) The desire for a fuller recognition of the principle of nationality, as manifested in the movement for " Home Rule all round," or the creation of separate Parliaments for Scotland and Wales as well as for Ireland. And (4) the recognition of the fact that the system of party government, as applied to the United Kingdom as a whole, virtually broke down under the difficulties created by the proposed grant of " Home Rule " to Ireland.

The prospect of making good the deficiencies thus indicated will facilitate, undoubtedly, the necessary process of divesting the United Kingdom Parliament of its Imperial powers in favour of the new Imperial Legislature, and constituting the various local Parliaments ; but it will not hide from the present United Kingdom electors the reality of the sacrifice of power which is required from them. Whether this loss of power, in view of the fact that the decisions of the United Kingdom electorate are controlled by the numerically predominant classes of the community who are least responsible for the provision of funds for the national and Imperial services—that, in short, he who pays the piper does

not call the tune—will be a good or bad thing, is a question that does not affect the issue. What is certain is, that the masses of the electorate are conscious of their present power and will require a substantial equivalent for their sacrifice ; and that the relief of the United Kingdom from a part of the burden of Imperial taxation is an advantage from which not they, but the (relatively) few electors of the income tax-paying classes will directly benefit. This relief, it is true, will not be confined to the assumption of a due proportion of the cost of the Imperial services by the Oversea British. It will include an appreciable saving in the cost of general administration ; since the common and organised administration of not merely the military, naval and diplomatic services, but of the posts, telegraphs, and communications, the agriculture, commerce, and industry of the Empire, should be more economic, as well as more efficient, than the separate administration of the equivalent services in the several countries of which it is composed. The decrease of taxation due to these causes will benefit indirectly the wage-earners ; because it tends to lower the cost of living to all classes of the community, and increases the capacity of employers of labour to pay for services of all kinds. But the prospect, however assured, of such financial advantages will not in itself provide a sufficient recompense to the great majority of the United Kingdom electors for the surrender of their Imperial powers.

There is only one recompense which they will consider adequate, and only one ground upon which an effective appeal for their support can be based. It is the well-founded belief that the organised strength of the British Empire will suffice to assure peace to the peoples within its borders, and, in concert with the kindred Anglo-Saxon system of the United States of America and other friendly Powers, to maintain the peace of the world. It must be remembered that one-fourth or one-third of the electors by whom this question will be decided—both in the United Kingdom and in the Dominions—will be men who have served through the great war. The eyes of these men will have been opened to see the things that really matter. They will know that no amount of industrial prosperity is of any avail to a nation which cannot defend itself against the armies of an envious military Power ; and they may be expected to prevent the exclusive pursuit of class interests, to promote which is the normal and legitimate business of the trade unions, from being carried to the point at which it comes into conflict with the interests of the nation as a whole. From the electors of the United Kingdom, thus leavened, an appeal to the spirit of patriotism, in its best sense, and to the broad principles of humanity will receive a sympathetic hearing. They will see in the reunion of the Oversea and Home British a strengthening and revitalising influence. They will realise with pride that

the British Empire has been, and is, in Lord Rosebery's words, " the greatest secular agency for good as yet known to the world," and recognise that to add to the sum of its resources and the efficiency of its administration, will be the only fitting and sufficient recompense for the surrender of their exclusive power to guide its destinies : that, in a word, the federation of the British Empire will do more than any other single event to rid the civilised world of the cruel and wasteful militarism by which it has been so long oppressed.

CHAPTER IV

The Sacrifices required of the Self-governing Dominions

The sacrifices required of the self-governing Dominions are the loss of Customs revenue and of the capacity to protect new industries, both consequent upon the more free admission of United Kingdom manufactures; and the surrender of their present exemption from Imperial taxation.

§ 1. Loss of Customs Revenue.

Of these sacrifices the first—the loss of Customs revenue—could probably be met in part by raising existing duties upon foreign imports of all classes, and by the rigorous taxation of imported luxuries of all origins; the term "luxuries" being held to include all articles, whether manufactured or not, which are neither necessaries of life nor requisites in the development of normal industries. But in addition to such a recasting of the several tariffs it would doubtless be necessary also to readjust the system of taxation hitherto obtaining in the Dominions. In particular a greater proportion of the revenue raised by taxation, as distinct from revenue raised by services rendered, or property

owned, by the State, would have to be drawn from direct taxes ; especially income tax and taxes upon movable and immovable property. The difficulties which both of these changes would present, although appreciable, are not likely to prove insuperable. But the power to give tariff protection to new industries is a matter so intimately associated with the inherent right of each national, or State, Government to decide what is, or is not, for the domestic good of its own people, that the unreserved surrender of it is hardly to be expected. A method of reconciling this conflict between State (or local) and Imperial (or common) interests might be found, perhaps, in an agreement which, while recognising in principle the right of a Dominion (or other State) Government to give such protection in certain cases, would give the power of deciding whether any particular industrial undertaking was, or was not, entitled to it, to an Imperial (or common) authority. Under such an agreement only industries which could be shown to the satisfaction of this authority to be economically desirable, and yet unable to be established without tariff protection against the competition of United Kingdom manufactures of the same class, would be entitled to rank as " protected industries," and to be admitted as such to exceptional treatment on the part of a State Government ; while the authority itself might take the form of a department of the Imperial (or common) Ministry of Industry and Commerce, or a

Committee of the Imperial Chamber of Representatives.

§ 2. Loss of Exemption from Imperial Taxation.

The third sacrifice (the loss of the exemption from any liability—other than voluntary—to contribute to the cost of the Imperial services) affects the

TABLE SHOWING THE ANNUAL EXPENDITURE OF THE UNITED KINGDOM AND THE SELF-GOVERNING DOMINIONS ON DEFENCE.

—	Amount.	Year ended	Population (estimated approximately to 1913) (millions).
Dominion:	£		
Australia . .	3,704,845	June 30, 1914	4·7
Canada . .	2,500,000	March 31, 1913	8·2
New Zealand .	605,343	,, ,,	1·0
South Africa .	1,400,000*	,, ,,	1·3 (white)
Total . .	£8,210,100		15·2
United Kingdom:			
Army . . .	28,885,000	(Estimate for	
Navy . . .	51,550,000	1914–15) .	
Total . .	£80,435,000		45·0
Grand total .	£88,645,000		60·0

* The expenditure of the Union under the Defence Act, 1912, is not given in the "Statistical Tables" of the Dominions published in 1914, but the annual cost of the scheme was estimated by General Smuts, when the bill was under debate, to be approximately £1,350,000.

several Dominions in degrees varying in proportion as each has spent hitherto a greater or less sum upon defence. It is not easy to disentangle the actual expenditure of the several Dominions on this head from the official returns, but the figures given in the accompanying table are the latest available and may be taken as approximately correct.

The (normal) defence expenditure of the Dominions, therefore, if raised to the scale of the United Kingdom and proportionate to population, would be fifteen-sixtieths, or one-fourth of £80,435,000—*i.e.*, approximately £20,000,000, as against £8,210,000 per annum. Hence the surrender of their present exemption from Imperial taxation would on this basis nearly treble their defence expenditure as a whole, involving an additional expenditure on the part of Canada, Australia, New Zealand, and South Africa of respectively eight, three, three-quarters, and a quarter millions sterling. Taking the total Dominion revenues to have been £84,000,000 in 1913, this increase of expenditure would require an all-round increase of nearly 15 per cent. in revenue; or for Canada in particular, with a revenue of £40,000,000, an increase of 20 per cent.

With these figures before us, it is not surprising that the Dominions, and Canada in particular, should have declared hitherto that they were unable to contribute, proportionately to their respective populations, to the cost of the Imperial services,

unless they received the assurance of the more rapid development of their resources, which would be given by the preferential treatment of their products in the markets of the United Kingdom.

It will be noticed, however, that the defence expenditure of Australia is markedly higher than that of Canada. Indeed, if we take the Commonwealth expenditure for 1912–1913, as stated in the Official Year Book No. 6,* it would seem that two years before the war broke out Australia was spending per head of population at a rate as high as that of the military Powers of Europe, and one not far below that of the United Kingdom. For in that year the Minister of Defence estimated for a

EXPENDITURE ON DEFENCE (VARIOUS COUNTRIES).

Country.	Year.	Army.	Navy.	Total.	Per Inhabitant.
		Million £			*s.* *d.*
Great Britain .	1911–12	27·6	44·3	72·0	31 9
Germany . .	1912–13	38·5	22·8	61·3	18 9
France. . .	1912	36·7	17·0	53·8	27 5
Italy . . .	1911–12	16·2	7·8	24·0	13 9
Austria-Hungary .	1911	15·3	2·8	18·1	7 4
Russia . . .	1911	48·2	10·8	59·0	6 7
United States .	1912	34·8	26·2	61·0	12 10
Canada . .	1910–11	1·4	—	1·4	3 11
Japan . . .	1911–12	7·6	4·0	11·7	4 6
Australia . .	1912–13	3·0	2·3	5·4	23 10†

* Edited by Mr. G. H. Knibbs, C.M.G.
† Year Book, p. 1070.

gross expenditure of £5,438,364, of which £1,603,880 was required for the maintenance of the military forces, and £1,196,829 for that of the Fleet unit; while the relative expenditure of Australia was as exhibited in the table on the preceding page.

But assuming that one of the results of the war will be to end the economic schism between the Oversea and Home British, and that the required preference will be granted, it is yet extremely unlikely that the Dominions will be able for some time to come to contribute to the cost of the Imperial services on a scale equal to that of the United Kingdom, whether the basis of proportion be population, revenue, or production per head. There is an economic reason for this inability, and it is one which explains the seeming illiberality of the attitude hitherto displayed by the Oversea British on this question.

§ 3. Apportionment of Cost of Imperial Defence as between the United Kingdom and the Self-governing Dominions.

Although the annual value of the external trade of the Dominions is greater per head (£34) than that of the United Kingdom (£30), they are less able to bear taxation than the latter. The United Kingdom, as an old-established country, is well provided with national plant in the form of roads, railways, ports, public buildings, endowments for charitable, educational, and religious purposes, and industrial

equipment of all kinds ; but the Dominions, being new countries, have had to find large sums of public money to provide this national plant within two or three generations, and a further large expenditure is still required to expand it commensurately with the more rapid growth of their population and industries. At the same time the proportion of the private wealth of the individual citizens which is inherited or acquired, is much smaller than is the case in the United Kingdom. Broadly speaking, then, while the United Kingdom, as a State, holds a position analogous to that of a householder whose income is derived largely from inherited property and investments, the Dominions, as States, are in the position of a householder whose income is drawn mainly from his yearly earnings. Under these conditions it would seem to be equitable in apportioning the cost of the Imperial services as between the Home and Oversea British, to apply the principle recently introduced in the assessment of incomes for income tax in the United Kingdom —that is, to distinguish between the (largely) unearned income of the United Kingdom and the (mainly) earned income of the Dominions, and in virtue of this distinction to tax the latter for Imperial purposes on a lower scale than the former.

If the equity of applying the principle were recognised by the United Kingdom and Dominion Governments, the precise method of application

would be a matter to be determined by the Imperial Convention, or by a Financial Relations Committee of the new Imperial Parliament; but one obviously convenient method may be suggested. It is that the Dominions should be taxed for Imperial purposes on an originally low, but gradually rising scale. Thus, for (say) twenty-five years from the date of the constitution of the new Imperial authority the Dominions would pay in Imperial taxation, whatever the basis of assessment, at the rate of (say) 9*d.*, as against 1*s.* in the £ paid by the United Kingdom, and for each (say) ten years thereafter at an additional 1*d.* in the £ until the rates were equalised.

Applying the principle in this form to the Imperial expenditure on defence (as given above), the total of (in round numbers) £88,000,000 would be allocated (on a basis of population) as under:

	£
To the United Kingdom:	
Share proportionate to population (45,000,000 out of a total of 60,000,000), forty-five sixtieths = three-fourths of £88,000,000	66,000,000
One-fourth of share of the Dominions (£22,000,000)	5,500,000
	71,500,000
To the Dominions:	
Share proportionate to population (15,000,000), fifteen sixtieths = one-fourth of £88,000,000 = £22,000,000. This at 9*d.* in the £	16,500,000
Total.	£88,000,000

The £16,500,000 payable by the Dominions would be allocated to the several Dominions (again on a population basis) as under :—

Dominion.	Population (in Round Millions).	Proportionate Share.	Amount (in Million £).
Australia . . .	5	$\frac{5}{15}$	5·5
Canada . . .	8	$\frac{8}{15}$	8·8
New Zealand . .	1	$\frac{1}{15}$	1·1
South Africa (white) .	1	$\frac{1}{15}$	1·1
	15	$\frac{15}{15}$	16·5

The application of the principle in this form would reduce materially the burden of the extra taxation required by the Dominions to meet their new Imperial liabilities.* But if a still further reduction were deemed necessary and equitable, it could be secured by fixing the original scale of Oversea Imperial taxation at *6d.* in the £. In this case the share of the Dominions would be reduced to £11,000,000, allocated as shown on the next page.

Contribution on this scale would not involve an increase of defence expenditure during the first period of (say) twenty-five years on the part of any

* Apart from the relief gained by this distinction, moreover, the Dominions would derive an advantage from the fact that the purchasing power of the sovereign is less in them than in the United Kingdom. For every £1 of taxation the United Kingdom taxpayer would give 20*s.* worth of his property or services, but the Dominion taxpayer would only give (say) 17*s.* worth of his property or services.

Dominion.	Population (in Round Millions).	Proportionate Share.	Amount (in Million £).
Australia . . .	5	$\frac{5}{15}$	3·66
Canada . . .	8	$\frac{8}{15}$	5·86
New Zealand . .	1	$\frac{1}{15}$	·74
South Africa (white) .	1	$\frac{1}{15}$	·74
	15	$\frac{15}{15}$	11·00

Dominion except Canada. But probably a higher scale (say two-thirds, or 8*d.* as against the United Kingdom 1*s.*) would be deemed more equitable and more in consonance with the dignity of the Oversea British States ; and in this case they would have to face an immediate and appreciable increase of taxation as the result of the surrender of their present exemption from Imperial taxation.

The balance-sheet for the Dominions will stand, therefore, as follows :—

They will lose :

(1) A part of their Customs revenue, and possibly the power to give tariff protection to new manufacturing industries ;

(2) Their present exemption from Imperial taxation.

They will gain :

(1) Preferential treatment for their products in the markets of the United Kingdom ;

(2) The right to be represented, proportionately to their population and wealth, in the Executive and Legislature of the Empire.

In estimating the prospect of these proposals being rendered acceptable to the Oversea British electorates one other point must not be overlooked. In the Dominions, as in the United Kingdom, the classes which provide the bulk of the revenue raised by direct taxation form a minority in the several electorates, and the great majority of the electors belong to the classes which are affected least by an increase or decrease of taxation. This circumstance (and the fact that democratic electorates are naturally inclined to spend money, or to incur liabilities for further expenditure), which in the case of the United Kingdom counted as an adverse factor—since it tends to minimise the appreciation by the electorate as a whole of the advantage to be derived from the assumption by the Dominions of a part of the cost of the Imperial services—in the case of the Dominions becomes a favourable influence ; since the prospect of increased taxation, as not being a matter of great concern to the mass of the Dominion electors, is the less likely to deter the several electorates from entering into the full inheritance of their British citizenship.

At the same time, in the Dominions, as in the United Kingdom, the considerations which may be expected to weigh decisively with the mass of the electors will be such as are embodied in an appeal to

their higher political instincts. The sacrifices necessary for the achievement of Imperial unity will be accepted, if they are accepted, because these free industrial democracies are conscious that an organised British Empire is the best guarantee for the peace of the world ; and because they realise the moral, as well as the material advantages which attach to an effective membership of a political system thus intimately associated with the progress of humanity.

CHAPTER V

A Union Constitution

The differentiating conditions of the British Empire, and the special sacrifices required of the United Kingdom and the Dominions, have been discussed hitherto on the assumption that a full administrative and legislative union of these and other component parts of the Empire under a federal, or dual, system of government was the object to be attained. But when the statesmen of the Empire meet in consultation it may be found that, although a new Imperial authority is necessary and possible, the full privileges of parliamentary representation in this new authority cannot as yet be exercised conveniently by the Dominions and other components of the Empire, and that in particular the fiscal independence of the white British States must be retained for the present. In view of this uncertainty it is proposed first to set out a federal Constitution embodying the conclusions arrived at in the preceding chapters, and then to indicate the methods by which a "half-way house" towards such a Constitution can be adopted —a system which, while meeting the requirements of the immediate situation, would serve directly to

prepare the Empire for the subsequent creation of a full federal union.

(For simplicity of diction, the adoption of the proposed Constitution is assumed to be an accomplished fact in the following account of its main provisions.)

§ 1. A Brief Account of the Constitution of the States united under the British Crown, known as the British Union.

The Executive.

The Executive Government is vested in the Crown as advised by the Ministers charged with the administration of the chief departments of the Union Government (or by a Cabinet or Committee of these and other Ministers); all such Ministers being responsible to Parliament.

The Legislature.

The legislative power of the Union is vested in the Parliament of the Union, which consists of the Crown, a Senate, and a House of Representatives.

In the Senate the States of the Union are represented as States; each State sending the number of senators to which it is entitled under the Constitution, and the method of appointment of such senators being that adopted in each case by the respective State Governments.

The House of Representatives consists of elected representatives of the peoples of the Union; the number of such representatives to which each State

is entitled being set out in the Constitution, and the method of election being determined in each case by the respective State Governments in accordance with certain general principles laid down in the Constitution.

In the case of both Houses the Constitution makes a distinction between the white and coloured States of the Union, and it declares that, until Parliament otherwise determines, the former shall be entitled in each House to a collective representation at least three times as numerous as the collective representation of the latter. In the white States members of the Senate may be either elected by the people, or nominated by the Government; in the coloured States they *must* be nominated by the Government, and the persons so nominated may be of European or non-European origin, at the option of the several State Governments. In the case of the Lower House, again, the total number of seats to which the white States are collectively entitled are apportioned, as between the several States, in strict numerical relation to the respective populations, and provision is made for the redistribution of such seats after each (decennial) census; but the collective seats of the coloured States are apportioned between the several States under the Constitution, and such apportionment has regard not merely to the population but also to the advancement in civilisation of the several States. Moreover, no person of non-European origin is qualified

for election to the House of Representatives, unless he has obtained admission to the white franchise (see forward, p. 158, (2)) of the State in which he resides.

The British Senate.

The British Senate consists of 200 members, of whom 150 are chosen from the white States, and 50 from the coloured States, of the Union. The 150 seats to which the white States are collectively

—	No. of Senators.		Total.
The white States :			
The States of the British Isles .		90	
Oversea British States :			
Canada	17		
Australia	13		
New Zealand . . .	9		
South Africa (whites only) .	9		
Newfoundland . . .	3		
Other white British Groups .	9		
	—	60	150
The coloured States :			
India	30		
Egypt, etc.	6		
East, West, Central, and South Africa	8		
The Far East (other than India)	4		
West Indies	2		
	—	50	50
Grand total . . .		—	200

entitled are distributed, under the Constitution, not in strict proportion to the respective populations of the several States, but in such a manner that the lesser States are favoured, and no State is represented by a less number of senators than three.

The distribution of seats among the several States is as shown in the table on the preceding page.

The British House of Representatives.

The British House of Representatives consists of 400 members, of whom 300 are elected by the peoples of the white States and 100 by the peoples of the coloured States. The distribution of seats is as shown in the table on the following page.

Electoral Systems.

In the case of the white States the electoral systems are those adopted by the several State Governments, subject, however, to the conditional right of admission to the franchise (Union and State) secured by the Constitution to all non-European British subjects (as stated below).

In the coloured States the methods of electing the members of the House of Representatives, to whom the States are respectively entitled, are determined by the State Governments in accordance with the following principles, as laid down in the Constitution :—

(1) While the nomination of the full number of senators assigned to a coloured State is

—	Estimated Population in Millions.		No. of Seats.		Totals.
The white States (one member to every 205,000 white inhabitants):					
The States of the British Isles		46		222	
Oversea British States:					
Canada	8¼		40		
Australia	4¾		23		
New Zealand	1		5		
South Africa (white)	1¼		6		
Newfoundland	¼		1		
Other white British groups	¾		3		
	—	16¼	—	78	300
The coloured States (representation varying as provided in the Constitution):					
India			65		
Egypt, etc..			10		
East, West, Central, and South Africa			15		
The Far East (other than India)			5		
West Indies			5		
Approximate total		380	—	100	100
Grand totals		442¼		—	400

obligatory on the several Governments, the return of the full number of members of the House of Representatives is permissive; that is to say, each coloured State may elect only a

part of the representatives to whom it is entitled, or the whole of such representatives, as the Government determines.

(2) In all States of the Union non-European British subjects are entitled to offer proof that they have adopted the habits and moral standards of European civilisation, and, upon such proof being accepted by a competent Court, they may claim admission to the franchise (Union and State) upon the like terms and conditions as European British subjects; and such non-European electors vote in European (or white) constituencies. The grounds of evidence which *must* be accepted as conclusive are stated in the Constitution to be: (*a*) the holding of any office of a certain class under the Union or a State Government; (*b*) the possession of a degree granted by a recognised university; (*c*) membership of a learned profession. Other grounds, which may, or may not be deemed sufficient, are: (*d*) the holding of a commercial position of importance; (*e*) the possession of movable or immovable property; and (*f*) the performance of any service of benefit to the community as a whole. There is a right of appeal from a decision of the State Court to the Union Appeal Court, subject to good and sufficient security for the costs of the appeal being provided.

(3) All other non-European electors are to

be divided into two classes, of which the first shall be formed of persons who have exercised, or are entitled to exercise, a municipal or other local government franchise, and the second of persons without any such elementary experience of the methods of representative government. The electors of the first class elect their representatives in one degree ; electors of the second class elect in two degrees—*i.e.*, through electors-delegate (as under the electoral system of Egypt).

The Representation of India and Egypt.

India, for example, has of course its full representation in the Senate, but it has been found possible to send only 35 members, out of the 75 to which it is entitled, to the House of Representatives. Of these 30 are elected directly in constituencies formed of the various municipal electors of the great towns, and only five are elected, in two degrees, by constituencies formed in the few more advanced country districts. The number of these latter constituencies will be gradually increased, however, in proportion to the social and industrial progress of the rural inhabitants of India. In Egypt, on the other hand, thanks to the political training gained by the native population under the Kitchener Constitution, there is no difficulty in forming the full number of constituencies ; but owing to the paucity of the white British population, together

with the fact that only persons of European origin are eligible for election to the House of Representatives, there is an insufficiency of suitable candidates. Neither Egypt nor India, therefore, is sending at present its full number of elected Representatives to the Union Parliament.

Powers of the Union Government.

Under the Constitution the Union Parliament has a general power to provide and legislate for the common defence and general welfare of the States of the British Union, and to lay and collect all taxes, duties, imposts, and excises necessary to raise supplies for these purposes. In addition to this general power, certain matters are specifically stated to be within the administrative and legislative sphere of the Union Government, and certain sources of revenue are specifically allocated to it. The matters, or classes of subjects, so stated are (briefly):

(1) Foreign affairs, including the legal and commercial relations of individual citizens of the Union with those of foreign Powers.

(2) The Army, Navy, and general defence of the Union, and the maintenance of order within the same.

(3) Finance and foreign and inter-State commerce; including loans, coinage, weights and measures, copyright, patents, banking, and insolvency.

(4) Communications, including inter-State railways, roads, and telegraphs; posts and telegraphs, ports and harbours, ocean transit, and migration of population.

(5) The Supreme Court and Judicature of the Union; and all measures for the consolidation and unification of pre-Union State legislation.

The specific sources of revenue are (briefly):

(1) Customs duties on imports from countries outside the Union.

(2) Taxes on certain non-necessary commodities, whether produced within or without the Union. These are articles of use and consumption which are universally recognised on grounds of public policy to be suitable subjects of taxation—*i.e.*, intoxicants, stimulants, narcotics, jewellery, confectionery, perfumery, motor cars (kept for pleasure), etc., etc.

(3) The produce of services rendered by the Union departments.

(4) Income from the unalienated property of the Crown.

(5) Contributions from the State Governments to be furnished upon the basis of assessment, and in the proportions, agreed upon prior to the Union and set out in the Constitution.

With the exception of the above, and subject to the general power of the Union Government, the State Governments are left in the enjoyment of all

powers and sources of revenue which they possessed before the Union. The effect of the provisions of the Constitution dealing with the subject of revenue is, therefore, to give the Central Government power to raise additional revenue (if required) from sources other than those specifically assigned to it, provided that such fresh taxation does not encroach unnecessarily upon the sources of revenue reserved by implication to the State Governments. The power of deciding whether such fresh taxation is an unnecessary encroachment upon the State revenues is left to the House of Representatives, upon the report of the (permanent) Financial Relations Committee of the Union Parliament.

The terms upon which the Union Government, on the one hand, assumed certain of the debts and obligations, and on the other hand took over certain of the assets, public buildings, and properties of the former United Kingdom and other pre-Union Governments, as settled by the Financial Relations Committee of the Imperial Convention, are set out in the Constitution.

Provision is made for the amendment of the Constitution by a two-thirds majority of both Houses of Parliament, subject to an equal majority of the white electors of the Union being obtained in a referendum, if such referendum is demanded by the defeated minority in either House.

All disputes as to the true meaning of the words of the Constitution, whether between individuals or

States, or between an individual and a State, are referred for decision to the Union Supreme Court (which has original jurisdiction in such cases).

§ 2. A Half-way House.

Any change in the administrative relations now existing between the United Kingdom and the (self-governing) Dominions and India must satisfy three conditions, if it is to be of any appreciable utility: It must (*a*) recognise the claim of the people of India, based upon their loyal services in the war, to become partners in the Empire; (*b*) give the Oversea British a direct influence in shaping the foreign relations and general administration of the Empire; and (*c*) provide a way of escape from the dilemma formulated by Mr. Asquith, when he said,* with perfect truth, that the Foreign Minister of the Empire could not be responsible at one and the same time to the United Kingdom Parliament and to a Council, or other body, representative of the Dominions or of the Empire as a whole. At the same time it must be remembered that, for the purposes of keeping the surplus population of the United Kingdom within the Empire, and consolidating and developing the resources of the Empire as a whole, the measures of immediate importance are the grant of a preference to Dominion products in the United Kingdom

* In condemning Sir Joseph Ward's proposals for an Imperial Council (with executive and legislative powers) at the Imperial Conference of 1911. See p. 71.

markets, an increase in the preference already accorded by the Dominions to United Kingdom manufactures, and an undertaking on the part of the Dominions to contribute in proportion to their resources to the cost of the Imperial services. Assuming—and the grounds of this assumption will be given directly—that, as the result of fiscal changes due directly to the war, the United Kingdom will be able and willing to grant a substantial preference to Dominion products, and that consequently the Dominions will be able and willing to share the cost of the Imperial services, then it is submitted that these conditions can be met by the adoption of the following proposals.

Additional Representation in the Imperial Conference and Defence Committee.

(1) The Imperial Conference and Defence Committee to be maintained as now constituted,* but effective provision to be made for the representation of India in both bodies, and for the attendance of Dominion members at the meetings of the Defence Committee (as already proposed by the Imperial Government). The representation of India in the Imperial Conference to consist of the Secretary of State for India, with two other persons directly representative of the Government of India, of whom one shall be chosen by the official members, and one by the unofficial, or elective members of

* For this, see Part I., Chap. III. (p. 65).

the Legislative Council of India. The Dominion and Indian members of the Committee of Imperial Defence to be persons combining military or naval experience with a knowledge of the local conditions of the several countries which they respectively represent.

A Dominions Council of Delegates.

(2) The Dominions to agree for a period of ten years to contribute proportionately to their populations, and upon a fixed basis of assessment, to the annual cost of the Imperial services, provided that the estimated appropriations for these services from the respective revenues of the United Kingdom and the several Dominions shall have been first submitted to, and approved by, delegates appointed by the several Dominion Legislatures. Such contributions to be adjusted in each case to (say) two-thirds of an amount proportionate on a basis of population to the amount provided by the United Kingdom for the same services.

Such delegates (styled collectively the Dominions Council of Delegates) to be elected for a period of three years by the several Dominion Legislatures, either in equal numbers from each Dominion or in numbers proportionate to the total number of the inhabitants, or the total number of the members of the two Houses of Parliament, of the respective Dominions, as may be agreed upon ; the election being made by the method of proportional repre-

sentation, in which each voter has one transferable vote.

The Council to meet in London at least once in every year ; and Ministers of the Imperial Government to have the right to be present at, and take part in, its proceedings, but not to vote in any division.

The voting to be either *per capita* or by States (*i.e.*, the delegates from each Dominion having one collective vote), as may be agreed upon ; but provision to be made for the contributions to be voted, or withheld, as a whole, so that it shall not be possible for any one Dominion singly to refuse to pay its quota. (The object of this provision is to secure that if the contributions are withheld, they must be withheld on general grounds which are approved by a majority of the Dominions—or of the delegates, if the voting is *per capita*—and not on grounds peculiar to one particular Dominion.)

The Council to have power from the several Legislatures concerned only to adjust the amounts of the annual contributions, and to vote or withhold the same ; but provision to be made that in the exercise of this power the Council shall hear and consider statements from one or more of the Imperial Ministers upon foreign affairs, questions of defence, and financial and other matters in which the Empire as a whole is concerned, and shall receive further information (if required) upon such matters and make representations thereon, through the appro-

priate Ministers, to the Imperial Government or Parliament, or both, as may be determined.

The Council to elect a president from among its own members, and to hold its meetings in private or public as may be determined from time to time by vote of the majority; to appoint a clerk and such other officers as may be deemed necessary for the due performance of its business and duties; and to provide for its place of meeting in London. The general expenses of the Council to be borne, in such proportions as may be determined, by the Dominions as a whole; but the salaries of the delegates to be paid separately by the several Dominions.

As regards the first of these proposals—the admission of India to the Imperial Conference—it is sufficient to note that, judging from a resolution recently passed by the Legislative Council of India, it would be the method of recognising their loyalty which the people of India would themselves desire. It will be necessary, however, to state briefly the grounds upon which it is believed that the second proposal—the constitution of a Dominions Council of Delegates—will satisfy the two latter of the three conditions mentioned above.

The Secretary for Foreign Affairs cannot be responsible to more than the one Parliament (and ultimately the one electorate) of the United Kingdom. This is undoubtedly true, and hence the dilemma pointed out by Mr. Asquith. But, if this Parliament (and electorate) can be made "respon-

sible" to the Dominion Parliaments (and ultimately electorates)—responsible, that is, in the sense of being obliged in its own interests to have regard to the opinions and intentions of these other Parliaments (and electorates)—then the result will be that the Foreign Secretary, by being responsible to the one Parliament of the United Kingdom, will in effect be responsible through this Parliament to the Parliaments of the Dominions. This result, it is claimed, would be brought about by the constitution of a Council of Dominion Delegates, meeting annually in London, exercising the power of granting or withholding supplies delegated to it by the Dominion Parliaments, and in this and other respects playing the part of a link between the United Kingdom Parliament (and electorate) and the respective Parliaments (and electorates) of the several Dominions. The power of the purse, thus exercised within strictly defined limits through the Council of Delegates, will enable the Dominions to exert a direct influence upon the administration of the War Office and the Admiralty, and secure at least an attentive hearing for any representations which the Council itself may make to the Imperial Government on questions of foreign policy and inter-Imperial commerce. And, what is more, it is claimed on its behalf that the operation of such a Council would effectively prepare the electors and legislators of both the United Kingdom and the Dominions for the direct commingling of the Home

and Oversea British in the work of Imperial administration, and thereby materially hasten the approach of the time when the full and organic union of the component parts of the Empire in a federal system need no longer be delayed.

The composition of a Council of Delegates, constituted on the lines of these proposals, would vary in accordance with the basis of representation adopted, as shown in the table below :—

BASIS OF REPRESENTATION.

Dominions.	States. Each State to send (say) not less than 2, nor more than 5.	Population—1 Delegate to every 500,000 Inhabitants.		Number of Members of both Houses —1 Delegate to every 25 Members.	
	No. of Delegates.	Population in Millions.	Number of Delegates.	Number of Members.	Number of Delegates.
Canada . .	5	8	16	310	12
Australia .	4	4¾	9	111	4
South Africa .	3	1½	3	190	7
New Zealand .	3	1	2	118	5
Newfoundland	2	½	1	56	2
Total .	17	15½	31	785	30

It remains to consider briefly whether the all-important assumption upon which these proposals for a Dominions Council of Delegates are based can be justified.

In the first place, owing to the financial burden imposed by the war, and the consequent necessity to tax imports for revenue purposes, the practice of the free admission of imports has been abandoned —temporarily at all events—by the United Kingdom. The recognition of the fact that, so long as the nations of the world are organised on military lines, economic principle must be held to be subordinate to political conditions, is strikingly illustrated by the words from Sir John Rolleston's letter quoted above.* "Adherence to Free Trade (after the peace) would probably lead to revolution. The people cannot allow their country to be made the dumping ground for Central Europe. Both for revenue and protective purposes we must impose tariffs, as without these it seems as though we could not survive."

The strength of the desire on the part of the Dominions for a system of preferential trading within the Empire has been shown by the successive resolutions on this head passed at the meetings of the (Colonial and) Imperial Conference. The extent to which this feeling has been emphasised by the war may be seen from the two following expressions of opinion, both coming from responsible quarters:—

(*a*) At a special meeting of the British Immigration League, held on June 2, 1915, under the presidency of Sir Thomas Anderson Stuart, the following resolutions were passed :—

* In Part II., Chap. III., p. 135, note.

"The British Immigration League appeals to the Imperial Authorities to make it clear to the Empire :

"(1) That at the close of the war a definite effort will be made to conserve British capital for the employment of British workers throughout the British Dominions.

"(2) That British interests will not in any way be sacrificed to the preservation of trade relationships hitherto existing with enemy countries.

"(3) That the free investment of British capital in the manufactures of enemy countries prior to the war made it possible for our enemies to create the stupendous armaments now being used against us.

"(4) That the firm (? fixed) policy of the British Government will in future be to prevent a recurrence of such a danger" (*The Times* report).

(*b*) At a meeting of the Australian Natives Association held in London on September 1, 1915, Mr. Fisher, a former Minister of the Crown in New Zealand, said :

"I ask whether, when the war is over, the Dominions are to be placed again on the same basis in regard to trade as Germany ?" (*The Times* report).

To these expressions of opinion may be added the following remark, which was made by the Chancellor of the Exchequer (Mr. McKenna) in introducing the Budget on September 21, 1915 : "I am afraid that what I am going to say will satisfy neither the strict

Free Trader nor the scientific Tariff Reformer. Both of them must put for the time being their fiscal theories upon one side." "Free Trade," then, has come to be recognised by a Liberal Chancellor of the Exchequer as what it is—a "fiscal theory," and something to be distinguished from the United Kingdom practice of Free Imports.

§ 3. The Modus Operandi. An All-British Convention.

There is one further aspect of the subject which demands consideration. When the war is over, and the time has come to give permanent form to the unifying processes which it has set in motion, by what machinery can the Empire be converted into a federal union, or the lesser change to the "half-way house" of a Council of Oversea Delegates be brought about?

In considering this question there is no need to point to the assistance that may be expected from such customary agencies of political propaganda as the Press and the platform; since, apart from any effect produced by these agencies, it may be taken for granted that the experience of the war will have burnt into the hearts of the British people, at Home and Oversea, a sense of the vital importance of organising and developing all the available resources of the Empire. What we are concerned to know is merely this: Given the manifestation of a general desire for closer union in some form or other, what constitutional machinery is available for giving

effect to this desire, and how can it be set in motion ?

The answer to the first part of the question is not a matter of uncertainty. A Convention, or assembly of delegates from all the self-governing British States, appointed by the several Governments for this special purpose and duly authorised to recommend the conclusions of the Convention for the acceptance of the respective Legislatures, is the only body capable of effecting a constitutional change of this magnitude.

The deliberations of this all-British Convention would lead to one of three results. The Convention might decide (1) that nothing could be done ; or (2) that from want of sufficient information it must adjourn, until such time as a Commission of Inquiry, appointed for the purpose, had reported to it ;* or (3) it might proceed then and there to pass resolutions, or draft an actual constitution, or other proposals in legislative form, embodying the measures recommended. In the event of the third result the constitution, or resolutions, would be submitted to the several Legislatures for adoption, amendment, or rejection. If amendments were carried in any Legislature (or Legislatures), the Convention would have to meet again to consider them ; and the constitution or resolutions, thus

* The Dominions Royal Commission—the full style of which is "The Royal Commission on the Natural Resources, Trade and Legislation of certain portions of His Majesty's Dominions"—might provide in part the evidence required. It is in operation at the present time.

amended in whole or part, or reaffirmed as originally passed, would be submitted again to the Legislatures, and probably the electorates, of the several States for a final verdict of "aye" or "no."

In an all-British Convention, then, we have the machinery which is shown by political experience to be necessary and sufficient for the purpose in view; but the further question of how to set this machinery in motion admits of more than one answer. One way would be for the Imperial Government to issue invitations to the several Dominion Governments to appoint delegates to attend the Convention, and to declare its own intention of appointing such delegates in the event of its invitation being accepted. There is, however, another, and in the writer's opinion a more effective, method of bringing the Convention into being.

The Imperial Conference is the one existing Imperial authority in which the Dominions are represented; and this authority, which meets quadrennially, would have met normally last year (1915). Owing to the war, the meeting was not held, but it is understood that the Conference will assemble for its next meeting at the earliest moment convenient, either before, or after, the close of the war. When the Imperial Conference next meets, therefore, it will have to consider matters of a quite exceptional character; and in all probability the holding of a Convention, or at least the necessity for the constitution of a new Imperial organ, will

arise naturally out of the circumstances in which its next ordinary meeting will be held. It is to be expected that an informal or *ad hoc* Peace Conference (or its equivalent) will be summoned, and that this will be followed by the ordinary (postponed) Conference. The members of this latter will find themselves confronted with questions of special difficulty and importance—the disposal of the new military element created in the Dominions; the settlement on the land of unemployed ex-service men from the United Kingdom, and the reorganisation of the Imperial services in a manner calculated to place the military and naval co-operation brought about by the war on a permanent basis; the apportionment of the financial burdens of the war as between the Dominions and the United Kingdom and the provision of funds to meet the charges upon the financial advances made by the United Kingdom to the Dominions; the organisation of inter-Imperial trade and resources; the trade relations of the United Kingdom and foreign nations, as affecting the Dominions; and other matters.

What would be more natural than that in addressing themselves to the consideration of these questions the members of the Conference should quickly realise two things? (i.) That no permanently satisfactory action in respect of the majority of these matters can be taken under the administrative relations at present existing between the United Kingdom and the Dominions; and (ii.) that all

that they can do in the circumstances is to agree to the emergency measures immediately necessary for the prompt handling of the most urgent of the matters before them, and recommend that the question of the future political and economic relations of the Dominions and the United Kingdom should be considered as soon as possible by a competent body of representative statesmen appointed for the purpose. And, as the Conference is composed of the Premiers and other Ministers of the respective Governments of the United Kingdom and the Dominions,* it would be within the power of its members to pledge themselves by a resolution to take the necessary steps to obtain the assent of their respective Legislatures to the appointment of such representatives.

The advantages of this course—that is to say, of the Convention being brought into being, not by invitation of the Imperial Government, but by resolution of the Imperial Conference—are these. In the first place, the proposal to hold an all-British Convention would be seen to be the natural outcome of a combination of political and economic conditions affecting equally all the British self-governing States ; and as such it could not be represented

* It has been suggested by Sir Harry Wilson that, as Coalition, or National, Governments have been formed in the United Kingdom and New Zealand, the Dominion Governments (except that of New Zealand) might be asked to appoint representatives of the respective Oppositions, in addition to representatives of the respective Governments, to attend the next Imperial Conference. There is also the question of the representation of India in the Conference to be considered.

as a device of the Imperial Government intended to serve the special interests of the United Kingdom, still less as a project emanating from any one party or school of thought. Thus convened, the delegates would assemble, if they did assemble, at the will of the British electors as expressed by their representatives in the Home and Oversea Legislatures.

In the second place, the Imperial Conference, being a small body composed only of the heads of the respective Governments of the United Kingdom and the several Dominions, would be as plainly superior to the Convention of Delegates as an instrument for determining, and providing for, the emergency measures required immediately on the close of the war, as the Convention would be superior to the Conference as an instrument for formulating and carrying through the constitutional changes required to regularise—temporarily or permanently—the political and economic relationships obtaining between the Home and Oversea British.

A third method—or rather a variation of the second method—presents the advantage of effecting a saving of time. While the Imperial Conference is in session, and occupied with the various emergency measures immediately required at the close of the war, it might pass a resolution asking His Majesty's Government to issue invitations to a Convention. If this procedure were adopted the legislative and other arrangements necessary for

the appointment of the several State delegations could be set on foot at once, and completed as rapidly as possible after the return of the Dominion Premiers to their respective States.

The precise method of convoking the Convention is, however, a matter of comparative unimportance. What is essential is that the Imperial Conference should be summoned at the first possible moment either before or after the close of the war ; and that its services should be fully utilised for the prompt and efficient handling of the emergency measures needed to re-establish the industrial forces of the Empire in such a manner that the British race may rise from its great ordeal compacted and re-vitalised, not shaken and emasculate. If it be the desire of the electorates of the United Kingdom and the self-governing Dominions that the Convention should be held, the Conference will furnish in itself the most efficient agency for giving prompt effect to this desire.

APPENDIX

THE FEDERAL PRINCIPLE IN OPERATION

Section I

The United States of America

It is generally agreed that progress towards an administrative union between the Oversea and Home British must be accompanied by an application, more or less complete, of the federal principle to the British Empire. According to Freeman the term "federal government" may be used to describe any union of States in which the degree of union surpasses mere alliance and the degree of the independence of the component States exceeds mere municipal freedom. The essential characteristic of the system is the distinction between common, or federal, and local, or State, affairs; and the assignment of the former to a single federal authority and of the latter to the respective State authorities. The terms of this assignment, and the consequent division of the powers of government between the federal authority and the State authorities, are determined by the States prior to the constitution of the federal union, and recorded in the instrument so-called — the Constitution. Entrance into a federal union requires, therefore, from each State a sacrifice of independence and

probably of material interests. On the other hand, it offers certain advantages. The affairs surrendered should be administered more economically and efficiently by a single Central authority than by the States separately; and the people themselves, by becoming citizens of a great Commonwealth, gain security against their enemies and the prospect of playing a more important part in the history of the world.

In the United States we have not merely the original and typical federal system of the modern era, but the parent Constitution of the federal unions of British Colonies within the Empire. To understand this Constitution it is necessary to recall the circumstances in which it was framed. The primary object sought to be obtained by the thirteen British Colonies in uniting under a Central Government was to secure a military strength sufficient to win their independence from the Mother Country, and maintain it against all future enemies. But when independence had been won (1783) it remained to constitute formally a Central Government such that, in addition to this object, it would secure to the people as a whole the exercise of the political rights which they had enjoyed under their separate colonial Governments. In particular, the leaders of the new nation had to make provision for the working of the two principles which Anglo-Saxon experience had shown to be necessary to civil freedom—the responsibility of

the Executive to Parliament, and "no taxation without representation." The right of self-government, which underlies the first of these principles, the British Colonies in America had exercised, within the limits of their respective charters or Constitutions, even before the principle itself had been established for the British people as a whole by the Revolution of 1688. To maintain the second principle the colonists had rebelled. Claiming to exercise through the Colonial Assemblies the same right to vote supplies for the Crown, or withhold them, as was possessed by the House of Commons, they refused to pay taxes imposed by a Parliament in which they were not represented.

Hamilton and his associates were successful in embodying both these principles in the Constitution, which was accepted by the thirteen original States of the Union in 1787–1790. To substitute an elective President for the Crown was constitutionally a simple matter; but, in their desire to preserve the highest possible degree of freedom to the varying communities of the individual States, the authors of the Constitution made the fatal mistake of leaving the State Governments with powers the exercise of which was incompatible with the maintenance of federal unity. For this mistake the people of the United States paid the heavy penalty of the Civil War of 1861–1865; and even to-day, when the primary right of the Central Government to prevent the secession of a State has

been vindicated by force of arms, and the Constitution itself amended fifteen times, the excess of power possessed under this instrument by the State Governments perpetuates differences of political and social status, which hinder the citizens of the Union from enjoying to the full the normal benefits of a common nationality.

The distribution of governmental powers as between the Central and State authorities is, therefore, the weak place in the United States Constitution. Lord Bryce, the author of "The American Commonwealth," puts the matter in its most favourable light, when he writes, that it "is effected in two ways—*positively*, by conferring certain powers on the National Government; *negatively*, by imposing certain restrictions on the States, because they retain all powers not actually taken from them. . . . What the Constitution has done—and this is to Englishmen one of its most singular features—is not to cut in half the totality of governmental functions and powers, giving part to the National Government and leaving all the rest to the States, but to divide up this totality of authority into a number of parts which do not exhaust the whole, but leave a residuum of powers neither granted to the Union nor continued to the States, but reserved to the people, who, however, can put them in force only by the difficult process of amending the constitution. In other words, there are things in America which there exists no

organised and permanent authority capable of legally doing—not a State, because it is expressly forbidden; not the National Government, because it either has not received the competence or is expressly forbidden."

And again, Lord Bryce writes that the Constitution omits to prohibit the separate States from establishing or endowing a particular form of religion; abolishing trial by jury in civil or criminal cases; suppressing the freedom of speaking, writing, or meeting (provided that it is not done in a manner inconsistent with the Constitution); and limiting or extending the electoral franchise at will. "These omissions are significant," he continues. "They show that the framers of the Constitution had no wish to produce uniformity among the States in government or institutions, and little care to protect the citizens against abuses of State power. Their chief aim was to secure the National Government against encroachments on the part of the States, and to prevent causes of quarrel both between the Central and State authorities and between the several States. The result has, on the whole, justified their action. So far from abusing their power of making themselves unlike one another, the States have tended to be too uniform, and have made fewer experiments in institutions than one could wish."

Nevertheless it must be admitted that, whatever may be the value of "experiments in institutions,"

there are certain practical disadvantages attaching to a political system which admits its women in nine States to the franchise, while excluding their sister nationals in thirty-nine other States from the like privilege, and allows a citizen to sell intoxicating drinks, or divorce his wife, in one town, although it prevents him from doing these very same things in another. But indeed the question is hardly open to dispute. That these and other violations of the principle, that in all matters of personal status the citizens of a Commonwealth should be subject to the same laws, constitute a real defect in the government of the American Republic is shown by the fact that in all later Constitutions, otherwise modelled upon that of the United States, sufficient powers have been given to the National Government to secure uniformity of legislation in all essential matters, and to render its authority supreme in any conflict between it and the Government of a component State.

These preliminary observations will reveal the significance of the various aspects of the machinery of government in the United States. Apart from the Anglo-Saxon system of purely local self-government which was left untouched, the Constitution of September 17, 1787, gave the people of the thirteen Colonies (1) a National Government, and (2) a number of State Governments (now forty-eight). The former consists of a President, a Legislature of two houses, and a central judicature competent to

interpret the Constitution ; the latter are composed of a Governor, a Legislature of two Houses, and a State Judicature. All of these authorities are elected, directly or indirectly, by the people themselves ; for the National Executive, by which the National judges are appointed, is itself elective, while the State judges, when they are not elected directly by the people, as is the case in most States, are nominated by the State Executive, which again is itself elective.

Taking the National Government first, the executive power is vested in the President, who is elected by the indirect vote of the qualified electors in all the (now forty-eight) States, and holds office for four years.

The legislative power is vested in the Congress of the United States, which consists of two Chambers, the Senate and the House of Representatives, both elected ; the former by the Legislatures, and the latter by the qualified electors, of the several States.

In the Senate the States are represented as States, and on an equal basis ; that is to say, each State, irrespective of its area and population, sends two members. The senators, now ninety-six in all, are elected for six years, but retire, as to one-third, every two years. The method by which they are severally elected is determined by the Legislatures of the respective States. The special business of the Senate—apart from its legislative functions—is to advise the President in foreign affairs and other

executive matters under article II, section 2, of the Constitution :

"[The President] shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the senators present shall concur ; and he shall nominate, and, by and with the consent of the Senate shall appoint ambassadors, other public ministers and consuls, judges of the Supreme Court, and all other officers of the United States, whose appointments herein are not otherwise provided for."

In the House of Representatives the States are represented in strict proportion to their respective populations ; that is to say, after each decennial census an Apportionment Act is passed, assigning to each State the proportion of the total number of seats to which it is entitled on a basis of one representative to every *x* inhabitants. Under the apportionment based on the census of 1910 the total number of seats was 433, and the quota of inhabitants entitling to a seat 210,415 ; but, by the admission of the new States of Arizona and New Mexico, in 1912 the total membership was raised to 436. There is no national franchise ; since the Constitution provides that the persons who are qualified to elect the Lower House in each State are qualified to elect the members of the House of Representatives, to which the State is entitled. The franchise varies in the several States, but in most cases the electors are all male adult citizens

who have resided for one year in the State. In nine States, however, women are admitted to the franchise on equal terms with men. The members of the House of Representatives are elected for a term of two years; and its special business—apart from its legislative functions—is to vote supplies for the National Government. Under the Constitution all Revenue Bills "shall originate in the House of Representatives; but the Senate may propose or concur with amendments, as on other bills" (article I., section 7).

The legislative power of the Union is vested in both Chambers of Congress jointly, and is subject to the power of the President to object to any Bill and return it, with his objections, for reconsideration to the Chamber in which it originated. All bills must be presented for the approval and signature of the President after they have been passed by majorities in both Chambers; but a bill, when returned by the President, must be passed after reconsideration, first, by a two-thirds majority of the originating Chamber, and then by a similar majority in the remaining Chamber. That is to say, Congress has power to make a law by a bare majority of both Chambers with the approval of the President; and it also has power to make a law without his approval—but not without his signature—provided the bill can command a two-thirds majority in both the Senate and the House of Representatives.

As regards the subjects of legislation, under the

Constitution (article I., section 8) Congress has power "to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defence and general welfare of the United States; but all duties," etc., must be "uniform" throughout the States; and to provide and legislate for (*inter alia*):

(*a*) Foreign affairs; the army, navy, and (in part) militia; defence and the maintenance of internal order.

(*b*) Foreign and inter-State commerce; loans, coinage, weights and measures, copyright and patents.

(*c*) Communications and posts.

(*d*) Naturalisation and bankruptcy.

(*e*) The constitution of tribunals inferior to the Supreme Court.

The method of electing the President (and Vice-President), in whom are vested the executive powers of the United States, is laid down in the Constitution. As before noticed, the election is in two degrees. The first step is the "appointment" by each State, "in such manner as the Legislature thereof may direct," of "a number of electors equal to the whole number of senators and representatives to which the State may be entitled in the Congress"; subject to the proviso that "no senator or representative, or person holding an office of trust or profit under the United States," is eligible for such appointment (article II., section 2).

The manner in which this section is put into effect is as follows. Every fourth year in all the States the qualified electors (*i.e.*, the same persons as elect the elective members of the State Legislatures and the House of Representatives) elect the number of electors-delegate (or Presidential electors) to which each State is respectively entitled, by the system of *scrutin de liste*. That is to say, each elector has as many votes as is the number of the electors-delegate of his State ; and he is free to distribute these votes as he likes. He may give them all to one candidate, or he may give one vote to each of as many candidates as he has votes. The practice, however, is for the party leaders—Republican, Democrat, Independent—to direct the individual voter to divide the totality of his votes among a group of candidates ; such group representing, of course, the greatest number of electors-delegate that the party can hope to secure, on a basis of its total vote, in the given State.*

The second step is the election of the President and Vice-President by the (now 532) electors-delegate under the terms of section 3 of article II. of the Constitution. The process by which effect is given to this rather complex section (and the succeeding section, under which Congress is empowered to determine the time of the elections in each degree) is this. The electors-delegate are elected (as stated above) on the Tuesday after the

* The practice is known as " voting on a general ticket."

first Monday in November, and they meet in the capitals of their respective States on the second Monday of the following January to give their votes by ballot. Each elector-delegate must vote " for two persons, of whom one at least shall not be an inhabitant of the same State with themselves." The ballot-boxes are then sent to Washington, where they are opened by the President of the Senate, and the votes counted, in the presence of both Houses of Congress, on the second Wednesday in the February following. If the total cast for the candidate who has received the highest number of votes is more than half the number of all the electors-delegate, then this candidate is forthwith declared to be elected President. If, however, two (or more) candidates have both an equal number of votes and the requisite total votes, then the House of Representatives chooses one of such candidates for President by ballot ; or, if no candidate has the requisite total vote, then again the House of Representatives chooses the President from among the five highest on the list. In thus voting for the election of the President, however, the House of Representatives votes by States (*i.e.*, the representatives from each individual State have one collective vote), and an absolute majority of the States is necessary for an election.

By whatever method the President is elected, the person among the remaining candidates who has the greatest number of votes of the electors-delegate

becomes the Vice-President; but, if there should remain two or more candidates with an equal number of votes, then the Senate elects (by ballot) the Vice-President from among them.

The President, having been thus elected, begins his term of office on the following March 4, and reigns at "The White House" for the next four years. The Vice-President is *ex-officio* President of the Senate; and in the event of the death, resignation, physical or mental inability, or removal on impeachment and conviction (for treason, bribery, or other high crimes and misdemeanours) of the President, performs the duties of the President during his incompetency or the remainder of his term of office, as the case may be.

The President is given by the Constitution the normal powers of the Chief Magistrate of a Republic. He is Commander-in-Chief of the Army and Navy, and of the State Militias when embodied for the service of the Union; he appoints "by and with the advice and consent of the Senate" ambassadors and consuls, the heads of the executive departments, the judges of the Supreme Court, and all other high officials of the National Government for the appointment of whom no special provision is made in the Constitution; and, with the approval of "two-thirds of the senators present," he can make treaties with foreign nations. He receives ambassadors and other public officers; grants reprieves and pardons for offences against the National Govern-

ment (except in cases of impeachment, which are tried by the Senate); convenes and adjourns "on extraordinary occasions" both (or either) Houses of Congress; can require "the opinion, in writing, of the principal officer in each of the executive departments, upon any subject relating to the duties of their respective offices"; and it is his duty "from time to time to give to the Congress information of the state of the Union, and recommend to their consideration such measures as he shall judge necessary and expedient." In short, with one exception, the people of the thirteen Colonies gave to their President by the Constitution of the United States the powers and duties of the King to whom they no longer owed any allegiance. The one exception is the logical sequence of the principle of "equality" embodied in the Declaration of Independence.* In England, and throughout the British Empire, the King remains constitutionally the "fountain of nobility"; but in their Constitution the people of the new Anglo-Saxon nation laid down: "No title of nobility shall

* "All America is divided into two classes—the quality and the equality. . . . It was through the Declaration of Independence that we Americans acknowledged the *eternal inequality* of man. For by it we abolished a cut-and-dried aristocracy. We had seen little men artificially held up in high places, and great men artificially held down in low places, and our own justice-loving hearts abhorred this violence to human nature. Therefore we decreed that every man should thenceforth have equal liberty to find his own level. By this very decree we acknowledged and gave freedom to true aristocracy, saying 'Let the best man win, whoever he is.' Let the best man win! That is America's word. That is true democracy. And true democracy and true aristocracy are one and the same thing": OWEN WISTER.

be granted by the United States : and no person holding any office of profit or trust under them shall, without the consent of the Congress, accept of any present, emolument, office, or title of any kind whatever, from any king, prince, or foreign State."

The power of appointing " the principal officer in each of the executive departments " given by the Constitution to the President, and the special relationships between the President and these principal officers created by this and other provisions, place the heads of the (now ten) departments of the National Government in the position held by a " Cabinet " or " Ministry " in England or in the Dominions.* And the principle of ministerial responsibility to Parliament, as applied to the President and the heads of the executive departments, is established in three ways : (1) The legislative powers of Congress are complete ; since Congress, provided it is sufficiently united, can make laws against the will of the President. (2) The exercise of the highest executive functions —the declarations of peace and war, and the making and unmaking of treaties with foreign nations—by the President is limited by the provision that such decisions, to be valid, must be approved by a two-thirds majority in the Senate. (3) The Senate has the sole power to try (and convict) the President,

* At the time of writing these heads of departments are : The Secretaries of State, of the Treasury, of War, of the Navy and of the Interior ; the Postmaster-General ; the Attorney-General ; the Secretaries of Agriculture, of Commerce, and of Labour.

Vice-President, and all civil officers of the National Government on impeachment.

The principle of "no taxation without representation" is directly established by the provision (noticed above) under which all bills for raising revenue must originate in the House of Representatives. Its efficacy is further secured by the limitation of the life of a Congress to two years—half the Presidential term of office.

The independence of the national judicature is provided for in article III. of the Constitution: "The judicial power of the United States shall be vested in one Supreme Court, and in such inferior Courts as the Congress may from time to time ordain and establish. The judges, both of the Supreme and inferior Courts, shall hold their offices during good behaviour, and shall, at stated times, receive for their services a compensation, which shall not be diminished during their continuance in office."

Thus, in the absence of any scandalous conduct meriting impeachment in the Senate, the judges hold office for life.

The highest function of the judicature is to declare, when called upon, whether a law passed by the Central or any State Legislature is unconstitutional, and therefore invalid. The possession of this power by the judicature points to an essential difference between the position of the Legislature in the United States and in Great Britain. In the

latter case the sovereign power resides in the Crown and Parliament acting together; and, since the Crown acts on the advice of Ministers responsible to Parliament, to all intents and purposes there is nothing to limit the power of Parliament to make laws. The most that the Courts can do is to declare that particular words or clauses do not express correctly the intention of Parliament as manifested elsewhere in the text of the law, or in the law as a whole. In the United States, on the other hand, the sovereign power remains directly in the people (*i.e.*, the electorates of the several States), and they by the terms of the Constitution have given the central judicature power to determine whether a law is, or is not, in accordance with the collective expression of their will as formulated in the Constitution. If the judicature finds that either Congress or any State Legislature has exceeded the powers given to them respectively by the people under the Constitution, then the law becomes *ipso facto* a nullity.

The Supreme Court (as now constituted) consists of the Chief Justice and eight associate judges. It is specifically empowered to try (1) all cases arising under the Constitution, all inter-State and international causes, and crimes against the Union not being the subject of impeachment; and (2) all cases arising under the laws made by the National Legislature. In the former field it has original jurisdiction; in the latter it acts as a Court of Appeal

from the inferior National Courts established by Congress (*i.e.*, the sixty or so district, and nine circuit, Courts). The private causes which are tried by the National Courts are, therefore, only such disputes as arise out of the matters in respect of which Congress is empowered to legislate ; * and as the result of this division of power between the National and State judicatures, almost all ordinary crimes and disputes of the citizens—offences against the person or property, and civil causes other than matters arising under the admiralty, patent, copyright, commercial, and other laws of the Union—come before the State Courts, and are dealt with in accordance with the varying laws of the respective States.

Under the Constitution the National Government guarantees to every State of the Union a republican form of government, protection against invasion, and, if called upon by the State authorities, against "domestic violence." From the fact that the residuum of sovereign powers left by the Constitution to the States is so large, it follows that the bulk of the work of administration is done by the State Governments. Hence, it is the many Governments of the several States, and not the one National Government, that determine for the citizens of the United States, the electoral system ; the laws of property, of marriage and divorce and other civil relationships, of corporate industrial undertakings

* For these see p. 190.

(subject to the power of Congress to legislate for inter-State commerce), of labour, and, with slight exceptions, the character and administration of the criminal law; the education system, the management of charities and prisons, the sale of intoxicating liquors, and game and fishing rights. And moreover, while the National Government is prohibited from laying "any capitation, or other direct tax" except on a basis of population as shown in the (decennial) census (article I., section 9), the State Governments possess a fertile source of revenue in the direct taxation of property, both real and personal.

Members of both Houses of the Legislatures, both National and State, receive payment for their services.

Provision for the amendment of the Constitution is made in the instrument itself (article V.). A proposal for an amendment can come either from Congress, or from the State Legislatures. In the former case two-thirds of the members of both Houses, and in the latter, two-thirds of the several State Legislatures, must deem the proposed amendment necessary; and in both cases to secure validity the proposed amendment must be ratified by the Legislatures (or *ad hoc* conventions) of three-fourths of the constituent States of the Union.

Section II

Federal Unions on the Continent of Europe

On the continent of Europe there are two examples of federal government, Germany and Switzerland; while in the dual monarchy of Austria-Hungary certain services are common to the two kingdoms, and as such placed under joint Ministeries.

In the German Empire the central, or Imperial, authority consists of the King of Prussia, as President of the German Confederation with the title of German Emperor, and the Federal Legislature of two Chambers—the Council (Bundesrath) and Diet (Reichstag). The local, or State, authorities are the respective Governments of the four kingdoms of Prussia, Bavaria, Saxony, and Wurtemberg, the six grand duchies, the five duchies, the seven principalities, the three free towns, which, with the Reichsland, or Imperial province of Alsace-Lorraine, constitute the twenty-six States of the Empire. The division of powers between the Imperial and the State Governments, and the representation of the several States in the Federal Legislature are determined by the Constitution of April 16, 1871.*

Broadly speaking, the matters which are under

* Subject to amendments made as provided for in article 78.

the supervision and legislative control of the Imperial authority (styled " the Empire " in the Constitution) are : Foreign affairs, the military and naval forces, customs duties, industry and commerce, citizenship, emigration, coinage, weights and measures, banking, patents, " uniform legislation as to the whole domain of civil and criminal law," the " organisation of a general system of protection for German trade in foreign countries," railways and land and waterways required for public defence and general commerce, and posts and telegraphs (except in Bavaria and Wurtemberg).

Of the two Chambers of the Imperial Legislature, the Federal Council consists of delegates appointed for the session by the twenty-six State Governments. The number of the votes assigned under the Constitution to each State ranges from 17 for Prussia and six for Bavaria to one for the majority ; and the total amounts to 61. Each State is entitled to send as many delegates as it has votes ; but the delegates of any one State must vote *en bloc*. The Diet is composed of 397 members elected for five years, in single-member constituencies, by ballot and universal (adult male) suffrage. The representation was apportioned originally on a basis of one member to every 100,000 inhabitants ; but many constituencies, owing to the growth of population, now much exceed this quota, and, as there has been no redistribution of seats since 1871, the various parties are by no means represented in strict

proportion to their total voting strength.* Out of a total representation of 397 seats, 236 are assigned to Prussia, giving her a clear majority of 75 over the remaining States combined. Bavaria, which comes next, has 48 ; Saxony, 23 ; Wurtemberg, 17 ; the Reichsland, 15 ; Baden, 14 ; Hesse, 9 ; and the other nineteen States have only 33 seats between them.

The executive powers are vested, with slight limitations, in the King of Prussia, as German Emperor. In virtue of these powers he determines the question of peace or war ; makes alliances, or treaties, with foreign powers ; convenes and dissolves the Federal Council and Diet ; appoints the Chancellor of the Empire and other Imperial

* Parties in the Diet (Reichstag) on April 1, 1914 :

—	Number of Deputies returned.	Number to which entitled on Total Votes Cast.	Total Votes Cast.
Socialists	112	137	4,250,399
Centre party	89	66	1,996,848
National Liberals	47	55	1,662,670
Radicals	44	50	1,497,041
Conservatives	42	36	1,126,270
Poles	18	53	
Free Conservatives	13		
Other Parties	32		
Total (true)	397	397	12,260,731

That is to say, while the Socialists, National Liberals, and Radicals (the democratic elements) are under-represented, the Centre party and Conservatives (the aristocratic elements) are over-represented.

officials; prepares, publishes, and supervises the execution of laws; and compels a defaulting State to fulfil its obligations to the Empire. There is no Imperial Cabinet. The Chancellor is the only Minister, and he is responsible to the Emperor, and not to the Imperial Parliament. The only check upon the action of the Chancellor, as the agent of the Emperor, is found in the circumstance that, as a matter of practical politics, he must be able to command a majority in the Diet; since a conflict between him and this body may lead to his being dismissed by the Emperor. The Federal Council does some of the work of an Imperial Cabinet, and has a constitutional right to share certain executive functions with the Emperor. Thus, its consent is necessary for a declaration of war (except a defensive war), and for the dissolution of the Diet; and it nominates the judges of the Imperial Court, and, by means of annual committees, prepares legislative proposals for submission to the Diet. The only effective check upon the power of the Emperor is the constitutional right of the Diet (Reichstag) to refuse to vote annual supplies; but this right is rendered largely illusory by (1) the power of the Federal Council to veto, by absolute majority, any changes in the existing laws (financial or other) of the Empire; and (2) the fact that the chief revenue laws are permanent, while financial provision for the Army and Navy is made usually by laws operating over a period of years. Moreover,

the Government of Prussia controls a majority of the votes of the Federal Council, and is, in its turn, controlled by the King of Prussia—that is by the German Emperor.

"The Legislative power of the Empire," says article 5 of the Constitution, "shall be exercised by the Federal Council and the Diet. A majority of the votes of both bodies shall be necessary and sufficient for the passage of a law."

The Federal Council is a relatively small body and its proceedings are private. It is presided over by the Chancellor of the Empire, and its members have the right to speak, but not to vote, in the Diet. It works largely through permanent committees, the members of which are appointed annually; and, as it consists of direct representatives of the respective State Governments, its chief business is the preparation of the enactments necessary to give effect to new administrative and legislative proposals affecting the Empire as a whole. It thus becomes the chief source of legislation; and in virtue of its work in this respect, and its possession of certain executive and judicial powers, it may be said in part to take the place held by the Cabinet under a system of parliamentary government.

The chief function of the Diet (Reichstag) is to discuss (and pass or reject) the bills proposed by the Chancellor and the Federal Council. It votes annual supplies, but its power in this respect is

restricted in the manner noticed above; and its legislative capacity in general is controlled by the Federal Council. It remains, therefore, "an organ for the free expression of opinion" and "a means of political education." * And even its utility as an instrument for the expression of public opinion has been impaired of late years by the neglect to redistribute the seats in accordance with the movement of population, and the consequent invalidity of the party representation.†

While, therefore, Germany has all the machinery of a Federal Government, with a system of popular representation based upon manhood suffrage, the actual working of the German Constitution shows that the application of the federal principle and the participation of the electorate in the business of government are both alike unreal.

Prussia has a controlling vote in the Federal Legislature, and its King, through this control, exercises, as German Emperor, over the whole union of States the same autocratic powers which, as King, he exercises over Prussia. There is no room for any uncertainty on the point. The Ministry of Prussia are appointed and dismissed by the King; and the Prussian Parliament (the Landtag) consists of an Upper House almost entirely composed of members of the landed and feudal aristocracy, and a Lower House of representa-

* Lowell's "Governments and Parties in Continental Europe."
† See above, p. 202, note.

tives elected under a system which keeps the electoral power in the hands of the property owners.*

The Diet (Reichstag) is elected by manhood suffrage, but the Diet is controlled by the Federal Council—that is, by the delegates of Prussia; that is, by the Government of a State in which the representative chamber is elected by the rich and well-to-do to the exclusion of the poorer classes. While, therefore, as an administrative machine, the federal Government of Germany is true to its type, as a political system it is a constitutional fiction, designed to hide autocratic rule under a semblance of popular control, and to clothe the domination of Prussia with the outward appearance of a voluntary union of States on equal terms.

The German Constitution, in short, is federal only in form; since the executive and legislative powers are exercised in reality, not by the Federal authorities, but by the Prussian Government. This

* The House of Representatives (*Abgeordneten-haus*) is elected under the "three-class" system. Its characteristics are as follows:

(1) The representatives are elected in two degrees—*i.e.*, by electors and electors-delegate.

(2) All qualified electors in each sub-division are divided into three classes, of which the first consists of the few largest taxpayers collectively paying one-third of the taxes paid in the sub-division, the second of the more numerous next largest taxpayers paying another third, and the last of the numerous remaining small taxpayers paying the remaining third.

(3) The electors of each class choose one-third of the total number of electors-delegate to which the sub-division is entitled on a basis of one elector-delegate to every 250 inhabitants.

(4) The electors-delegate for the whole electoral division choose, by majority vote, the representative of the division.

fact, however, does not detract from its utility as an example of the framework of a federal government. Still less does it follow that a federal constitution, because in the case of Germany it has been made the instrument of autocratic rule, cannot be combined with the principle of ministerial responsibility to Parliament. On the contrary, in the United States of America, the earliest example of federal government in the modern era, this principle is as firmly established as it is among the self-governing communities of the British Empire ; while in the Swiss Confederation the rights of the people are so jealously guarded, that all the issues upon which public opinion is plainly divided are submitted for decision, not to the representatives of the electors, but by a referendum to the electors themselves.

The Swiss Constitution, therefore, affords a useful contrast to the German. In Germany the federal system is made the instrument of autocratic government ; in Switzerland it is combined with the fullest development of democratic institutions. Under this constitution (1874) the executive and legislative power (subject to the right of revision reserved to the constituent States, and to the right of direct consultation by referendum reserved to the individual electors) is vested in a central Parliament, styled the Federal Assembly (Bundes-Versammlung), which consists of two chambers—the National Council (Nationalrath) and the

Council of States (Ständerath). The former is composed of representatives elected, by direct vote of all citizens of the Confederation, on a basis of one representative for every 20,000 inhabitants ; and at the present time (census of 1910) it has 189 members. In the latter the States (cantons) are represented as states on a basis of perfect equality, each of the twenty-two States, irrespective of differences in area and population, sending two members. The members are elected by methods varying at the will of the several States, and number collectively forty-four.

For the performance of its executive powers the Federal Assembly, meeting in joint session, elects from among all citizens eligible to the National Council a Federal Council (Bundesrath) of seven members, and a federal secretary, who directs the federal secretariat. The members of the Federal Council apportion among themselves the seven Departments or Ministries, *i.e.*, Foreign Affairs, Interior, Justice and Police, War, Finance, Agriculture and Industry, and Posts and Railways ; but the principle of the collective responsibility of the Council is specifically recognised by the Constitution, which declares (article 103) that "every decision must emanate from the Federal Council as a body." The members of the Federal Council and the Federal Secretary are elected for the term of three years ; but every year the Federal Assembly, again in joint session, elects from

among the seven members of the Council a President and a Vice-President. These officials are the first Magistrates of the Confederation, and the president of the Federal Council has also the title and duties of President of the Confederation. They hold office from January 1 to December 31, and are not eligible for re-election until a full year has expired ; * but the holding or vacating of these offices does not affect the performance of their duties as heads of one or other of the seven Departments of the Federal Government.

The Swiss Federal Council combines the part played by a " Ministry," or " Cabinet," in a British self-governing community with that of the chief permanent officials. Under the Constitution, it must " report " to the Federal Assembly at each ordinary session upon its conduct of the business of the Confederation, and its members are charged with the duty of preparing legislative proposals for the consideration of the Assembly, and have therefore the right to take part in the discussions of both Chambers, though they may not vote. But this duty is performed in the spirit of a professional adviser, not in that of a party leader. If a member of the Council introduces a bill relative to the affairs of his department, and it is rejected by the Federal Assembly, he does not resign ; and if any proposal advocated by the Council as a

* The Vice-President, however, may be, and frequently is, elected to the presidency.

whole is defeated, the Council accept the decision of the Assembly, and continue to perform their duties as before. The Federal Council, says Lowell, writing in 1896,* "is virtually a permanent body, for, whilst it is chosen afresh every three years, the old members are always re-elected; and, indeed, since 1848, only two members who were willing to serve have failed of re-election, one of whom lost his seat in 1854 and the other in 1872, at times when party spirit still ran high. The permanence of tenure becomes astonishing when we consider that from 1848 to June, 1893, there had been only thirty-one federal councillors in all, of whom seven were still in office."

What is especially noticeable in the position of the Federal Council is (1) that it is elected by the representatives of the people, *i.e.*, the Federal Assembly, and not directly by the people themselves; and (2) that once elected it cannot be removed by the Federal Assembly until the expiration of its three years' term of office, while conversely it has no power to dissolve the Federal Assembly.

The danger of a deadlock resulting in these circumstances from a conflict between the Federal Council, as the acting executive, and the Federal Assembly, as the "supreme authority" of the Confederation, is averted by the provision made in the Constitution for the direct consultation of

* "Governments and Parties in Continental Europe."

the whole body of qualified electors, when necessary, by the referendum.

As the referendum is instituted in Australia, and its adoption has been advocated in the United Kingdom by influential statesmen, some account of the manner in which it is employed in Switzerland will not be out of place. The purpose of the referendum is to obtain a decision upon any public question directly and conclusively from the electorate as a whole. The consultation of the people is direct, since each elector records his opinion individually by his vote, and not indirectly through the vote of a representative in Parliament. The decision is conclusive, because (1) every vote has its full value (since the majority is not a majority of majorities, but a majority of the total number of votes cast); and (2) no elector can fail to vote according to his intention (since he is asked to say "yes" or "no" to one proposal only, and not to a number of proposals of which he may like some and dislike others).

In Switzerland, then, the referendum is employed in the government both of the Confederation and of the individual States (cantons). In both cases it is obligatory thus to take the vote of the whole electorate when a revision of the Constitution, federal or State, is proposed.

A revision, partial or total, of the federal Constitution may be proposed in the ordinary course of legislation by one or both Chambers of the

Federal Assembly, or by popular initiative, *i.e.*, by the petition of not less than 50,000 citizens. If the proposal comes from both Chambers of the Federal Assembly, then only one referendum is necessary; if it comes from a single Chamber or by popular initiative, the people must be consulted twice—*viz.*, each elector is asked in the first referendum,* "Do you wish the Constitution to be revised—yes or no?" And then (if a majority have answered "yes") in the second referendum, "Do you approve of the actual revision (or the new Constitution) as drafted by the Legislature, and now published?" In the final referendum it is necessary in all cases, if the revision is to become law, to obtain the approval both of a majority of the citizens voting as a whole, and of a majority of the majorities of the citizens voting separately in the several States.

In the case of an ordinary law passed by the Federal Assembly the referendum is optional—that is to say, it is taken only when either eight States or 30,000 citizens demand it. To avoid frivolous appeals to the electorate, moreover, the Assembly has power under the Constitution to declare a law to be "urgent," and laws so declared are not subject to the referendum. The subjects of laws which may be thus excluded from submission to the electorate, are: the Annual

* If the proposal comes from one Chamber only, the first referendum is taken by States (cantons); if by popular initiative, the federal electorate votes *en bloc*.

Budget, Treaties with Foreign Countries, matters which concern a single State (canton) only, etc. But it is noticeable that if this power were to be abused by the Federal Assembly, the electorate could find a remedy in demanding the revision of the article (89) of the Constitution by which it is conferred.

The individual States vary in their provision for applying the referendum to ordinary laws passed by the State Legislature. Broadly speaking, in one half of the States the referendum is obligatory (*i.e.*, no bill can become law without the approval of the total electorate of the State), and in the other half optional.

The common affairs of the States which are administered by the Swiss federal authorities, under the terms of the Constitution, are foreign affairs ; defence and internal safety ; the observance of the Federal and State Constitutions and the fulfilment of federal obligations ; the appointment of the Federal Council, the Federal Tribunal, the Federal Secretary, and the general of the federal army ; import and export duties ; the federal budget ; public accounts and loans ; railways and inter-State public works and roads ; mountain streams and forests ; higher education ; posts and telegraphs ; coinage, weights and measures, and bank-notes ; legislation regulating religious, marriage, and military obligations ; commercial relationships ; professional qualifications,

industrial employments, sanitary regulations, emigration, etc., etc.

The individual States are declared by the Constitution to retain all "sovereign" rights not delegated to the Federal Government under that instrument.

For our purposes the chief significance of the Swiss system lies in the fact that it combines the machinery of federal government with the exercise of the fullest and most complete popular control. Not only is the elective Parliament —the Federal Assembly—the "supreme authority" of the Confederation, but practically every act of the elected federal authorities can be checked by the direct action of the electorate in the referendum. One other point is worthy of notice. This peaceable and very democratic community has found it necessary for the preservation of its liberties to render all its citizens liable to military service, and to subject the whole of its able-bodied manhood to a continuous and vigorous training in the use of arms. In this respect its example has been followed by three self-governing communities within the Empire—the Dominions of Australia, South Africa,* and New Zealand.

The dual monarchy of Austria-Hungary, in spite of the fact that the affairs of the two kingdoms

* In the case of South Africa the provision for the creation of a citizen army, made in the Union Defence Act of 1912, was largely modelled upon the Swiss military system.

are administered in part by common institutions, does nor fall within the category of a Federal Government. Nonetheless, certain of the methods by which in this composite State the joint administration of a limited area of common affairs is made practicable are instructive, and as such they have been brought to the notice of the reader (in Chapter I., Part II.).

Section III

Federal Unions within the Empire

The three Unions of British self-governing Colonies at present constituted are the Dominion of Canada (1867), the Commonwealth of Australia (1901), and the Union of South Africa (1910). It is doubtful whether the last of the three can be included properly under the head "Federal Unions." According to Freeman the term "federal government" may be applied to any union of component members where the degree of union surpasses mere alliance, and the degree of independence possessed by each member surpasses mere municipal freedom. If we accept this definition, the Provincial Administrations of South Africa, as possessing more than mere municipal freedom by virtue of the powers secured to them under the Constitution, would seem to make the Union of South Africa a federal system. On the other hand, the statesmen

who framed the Constitution worked with the avowed intention of creating a "unitary," as against a "federal," system of government. The true explanation is to be found in the fact that the Union Constitution is a development of former federal Constitutions. It embodies a new division of governmental powers, as between the Central and local Governments, which favours the Central Government to an extent unknown at the time of Freeman's "History of Federal Government," while at the same time it retains the essential characteristic of a federal system—*i.e.*, the division of the business of the whole body politic into (*a*) matters which concern the whole and are transacted by the Central Government, and (*b*) matters which concern one or other of the component members only and are transacted, therefore, by the respective local Governments. But, however this question of nomenclature may be decided, there is an obvious convenience in treating the three Constitutions as different manifestations of a single well-marked form of political organisation.

Common Features.

In all three there are certain common features. The Executive of the Central Government consists in each case of the Crown, represented locally by the Governor-General with a Council of Advisers. In Canada this Council is styled "the King's

Privy Council for Canada," and there is an actual Cabinet so-called, which, like the Cabinet at Home, is (technically) a Committee of the Privy Council, and consists of the principal members of the Government in office. In Australia and South Africa, on the other hand, the Council is specifically styled " Executive," and the officers appointed by the Governor-General to administer the Departments of State are *ex-officio* members of the Council and " the King's Ministers of State," * for the Commonwealth, or the Union, as the case may be. In all alike the Governor-General is appointed by the Crown, the members of the Council are appointed and removed by the Governor-General, and in practice the Canadian Cabinet and the Australian and South African " Ministers of State " are responsible to their respective Parliaments, and through the Parliaments to the respective electorates.

The legislative authority in all cases is vested in the Crown and the two Houses of Parliament; and the Crown (*i.e.*, the United Kingdom Government) has a veto over all legislation. In practice, however, the exercise of the right to " disallow " is confined to legislation affecting the relations of the British Government with Foreign Powers,

* The words formally recognise " the existence of a body something like a Cabinet within the Executive Council—a Committee whose members are individually Ministers of Departments, and collectively 'the Queen's Ministers of State for the Commonwealth' " (Quick and Garran, " Annotated Constitution of the Australian Commonwealth ").

or the interests of some other part (or parts) of the Empire. That is to say, foreign affairs and the administration of the Empire as a whole are outside the sphere of the Dominion Governments.

The existence of this power of veto points to the crucial difference of status between the Dominion Federal Governments and the Federal Government of the United States. In the case of the United States both the Executive and Legislature are subordinated to the will of the people expressed in the Constitution as interpreted by the judicature: in the case of the Dominions the Executive and Legislature are subordinated to the will, not of their own peoples, but of another people—the people of the United Kingdom; since the Constitution, which is the expression of this will, takes the form of an Act of the United Kingdom Legislature. The United States Constitution, again, can be amended by a two-thirds majority of the representatives of the people; that of a Dominion cannot be amended (outside the provision for amendment contained in the original Act) except by a further Act of the United Kingdom Legislature. As, therefore, in the United Kingdom the Crown acts under the advice of Ministers, and Ministers cannot carry on the business of the Crown without commanding the support of a majority of the members of the elective Chamber of the Legislature, the ultimate repository of power in the case of a Dominion, no less than in the case of a

Dependency, is, under the existing system, the United Kingdom electorate. And it is in virtue of this fact that the Government and Parliament of the United Kingdom are styled, and rightly "Imperial."

In all three Dominions, again, Money Bills must originate in the Lower House, and appropriations of supplies can be made only upon the recommendation of the Governor-General (*i.e.*, the Government). In the two cases of Australia and South Africa the Constitutions contain provisions under which (*a*) the Upper House may refuse assent to, but not amend, Money Bills; (*b*) "tacking" is forbidden; and (*c*) in the event of disagreement between the two Houses a decision is ultimately arrived at by a joint sitting and an absolute majority vote.

As regards the judiciary, in each case there is a central tribunal, with original and appellate jurisdiction, and the Judicial Committee of the Privy Council serves as a Court of Appeal from this tribunal. In Canada there is a right of appeal to the Privy Council from the highest Provincial Court of last resort as well as from the Supreme Court. In Australia the right of appeal is limited by section 74 of the Constitution Act, which gives the High Court of Australia power to refuse leave to appeal to the Privy Council in decisions upon questions involving the *inter se* constitutional powers of the Commonwealth and the constituent

States. By the appointment of Indian and Dominion judges to the Judicial Committee of the Privy Council, the capacity of this tribunal to perform the functions of an Imperial Appeal Court has been increased recently in a notable degree.

In the field of finance the division of revenues as between the Central and local Governments has this common feature. In all three Dominions certain sources of revenue are assigned to, or remain with, the local Governments, and the revenues thus raised are supplemented by grants from the Central Governments. In the case of Canada the sums annually payable to the Provincial Governments, including grants per head of population and special allowances, were set out in the Constitution Act. The original arrangements have been modified slightly by subsequent legislation and the admission of new Provinces. To take a particular year, in 1913 the total amount of the subsidies paid by the Dominion to the Provincial Governments was 13,211,800 dollars.* At the same period the Provincial revenues, irrespective of subsidies, varied from 10,000,000 dollars in Ontario and British Columbia to 500,000 dollars in Prince Edward Island. The sources of revenue of the Province of Alberta, again, are returned as—(1) subsidies from the Dominion Government; (2) the sale of school lands: and (3) Provincial

* The dollar = rather more than one-fifth of £1 (the pound sterling = 4·86⅔ dollars).

sources—*viz.*, taxes on assessed mileage of railways, corporation taxes on fire, life, accident, loan and land companies, and the fees for departmental services. In Australia under the Surplus Revenue Act, 1910, the Commonwealth pays to each State a sum equivalent to 25*s.* per head of population. As the States in this Dominion retain their powers other than those delegated or surrendered to the Central Government, they practically possess all sources of revenue other than the Customs and Excise (which is the main source of the Commonwealth revenue) and any other sources of revenue surrendered by them to the Central Government. It may be noted that, as the result of recent delegations by the States of the right to levy land and other taxes to the Commonwealth, the Central and local Governments in this Dominion possess concurrent, or overlapping, powers of taxation. In South Africa the main principles of the division of revenues as between the Union Government and the Provincial Administrations were laid down in the Constitution Act, and the actual readjustment was arranged in detail by the Financial Relations Commission, subsequently appointed under the Act. Here, under the Constitution, the administration of the State railways, which prior to the Union provided large revenues to the several Colonial Governments, is assigned to a non-party Board of Commissioners, and provision was made for the gradual elimination of

taxation by railways as being uneconomic. Of the remaining sources of revenue all, except such as are specifically assigned under the Constitution by the Financial Relations Commission to the Provincial Administrations, belong to the Union Government ; and the Commission recommended that the latter should make a block grant to the former equivalent in each case to half the expenditure actually incurred by them. The remaining half was to be defrayed by direct taxation (with slight exceptions) imposed by the Provincial Administrations ; the sources of revenue assigned to them being school, native pass, and hospital fees, licences, rates on fixed property, etc. By this " pound for pound " system it was thought that a more direct responsibility for, and control of, local expenditure would be secured to each locality, and that the economy and efficiency of local administration would be promoted. In South Africa, as in the other Dominions, Customs and Excise provide by far the largest single source of revenue for the Central Government, but the Union Government possesses in the (part) ownership, and taxation, of the diamond and gold mines an exceptional and very considerable source of revenue.

The Division of Powers between the Central and Local Governments.

In the division of powers, as between the Central Government and the State, or Provincial, authori-

ties, the three Constitutions show characteristic differences. The Commonwealth Constitution follows in general the model of the United States ; that of the Dominion of Canada departs from it considerably, while the Union Constitution gives so much power to the Central Government, that (as noticed above) the Union of South Africa must be counted as a new species of federal system, if not indeed a unitary State. As the United States is the original and typical example of a federation in the working of which the principle of parliamentary government is applied, it will clear the way if we recall how the division of powers is effected by its Constitution. Under this instrument, then, the Central Government (the President and Congress) is vested with certain powers directly, such powers being specifically set out in article 1, sections 8 and 9, and indirectly by the specific withdrawal of certain other powers from the State Governments (section 10) ; and the States retain all powers formerly possessed by them other than those which they have thus, directly or indirectly, delegated to the Central Government. This method of division has two defects : (1) it left an undefined field of concurrent powers to the Central and State Governments ; and (2) the largeness of the powers left to the States has produced the result that the people of the United States, although they form collectively one nation, are subject to different civil and criminal laws, and enjoy

different personal and electoral rights according as they reside in one or other of the component States of the Union.* The framers of the Canadian Constitution desired to avoid these defects. The methods by which they sought to secure this object are explained in a speech delivered by Lord Carnarvon (the Secretary for the Colonies) in recommending the British North America Act (1867) to the House of Lords :

" I now pass to that which is perhaps the most delicate and the most important part of this measure—the distribution of powers between the Central Parliament and the local authorities. In this, is, I think, comprised the main theory and constitution of federal government ; on this depends the practical working of the new system ; and here we navigate a sea of difficulties—there are rocks on the right hand and on the left. If, on the one hand, the Central Government is too strong, then there is a risk that it may absorb the local action and that wholesome self-government by the Provincial bodies, which it is a matter both of good faith and of practical expediency to maintain ; if, on the other hand, the Central Government is not strong enough, there arises a conflict of State rights and pretensions, cohesion is destroyed, and the effective vigour of the central authorities is encroached upon. The real object which we have in view is to give to the Central Government those high functions and almost sovereign powers by which general principles and uniformity of legislation

* See Section I. (above), p. 184 *et seq.*

may be secured in those questions that are of common import to all the Provinces; and, at the same time, to retain for each Province so ample a measure of municipal liberty and self-government as will allow, and indeed compel them, to exercise those powers which they can exercise with great advantage to the community. . . . In this Bill the division of powers has been mainly effected by a distinct classification. The classification is fourfold: 1st, those subjects of legislation which are attributed to the Central Parliament exclusively; 2nd, those which belong to the Provincial Legislatures exclusively; 3rd, those which are subject to concurrent legislation, and 4th, a particular question which is dealt with exceptionally. To the Central Parliament belong all questions of the public debt or property, all regulations with regard to trade or commerce, Customs and Excise, loans, the raising of revenue by any mode or system of taxation, all provisions as to currency, coinage, banking, postal arrangements, the regulation of the census and the issue and collection of statistics. To the Central Parliament will also be assigned the enactment of criminal law. The administration of it, indeed, is vested in the local authorities; but the power of general legislation is very properly reserved for the Central Parliament. And in this I cannot but note a wise departure from the system pursued in the United States, where each State is competent to deal as it may with its criminal code, and where an offence may be visited with one penalty in the State of New York, and with another in the State of Virginia. The system now proposed is, I believe, a better and safer one; and I trust that before

long the criminal law of the four Provinces may be assimilated—and assimilated, I will add, upon the basis of English procedure. Lastly, the fisheries, the navigation and shipping, the quarantine regulations, the lighting of the coast, and the general question of naval and military defence, will be placed under the exclusive control of the Central Government.

"The principal subjects reserved to the local Legislatures are the sale and management of public lands, the control of their hospitals, asylums, charitable and municipal institutions, and the raising of money by means of direct taxation. The several Provinces, which are now [*i.e.*, before the Constitution Act was passed] free to raise a revenue as they may think fit, surrender to the Central Parliament all powers under this head except that of direct taxation. Lastly, and in conformity with all recent Colonial legislation, the Provincial Legislatures are empowered to amend their own Constitutions.

"But there is, as I have said, a concurrent power of legislation to be exercised by the Central and local Parliaments. It extends over three separate subjects: Immigration, Agriculture, Public Works. Of these the two first will, in most cases, probably be treated by the Provincial authorities. They are subjects which, in their ordinary character, are local; but it is possible that they may have, under the changing circumstances of a young country, a more general bearing, and therefore a discretionary power of interference is wisely reserved to the Central Parliament. Public works fall into two classes: First those which are purely local, such as roads and bridges,

and municipal buildings, and these belong not only as a matter of right, but also as a matter of duty, to the local authorities. Secondly, there are public works which, though possibly situated in a single Province, such as telegraphs, canals and railways, are yet of common import and value to the whole Confederation, and over them it is clearly right that the Central Government should exercise a controlling authority.

"In closing my observations upon the distribution of powers, I ought to point out that just as the authority of the Central Parliament will prevail whenever it may come into conflict with the Local Legislatures, so the residue of legislation, if any, unprovided for in the specific classification which I have explained, will belong to the Central body. It will be seen, under the 91st clause, that the classification is not intended to "restrict the generality" of the powers previously given to the Central Parliament, and that those powers extend to all laws made for the 'peace, order, and good government' of the Confederation—terms which, according to all precedents, will, I understand, carry with them an ample measure of legislative authority. I will add that whilst all general Acts will follow the usual conditions of Colonial legislation and will be confirmed, disallowed, or reserved for Her Majesty's pleasure by the Governor-General, the Acts passed by the local Legislatures will be transmitted to the Governor-General and be subject to disallowance by him within the space of twelve months."

To the above may be added that in Canada the field of education is exclusively reserved to

the Provincial Legislatures, subject to certain limitations, set out in the same section (93), and the power of the Central Executive and Legislature to step in, if necessary, to put the limiting provisions into effect.

With this account of the division of powers as between the Dominion and the Provincial authorities, and of the manner in which the Canadian Constitution departs from the model of the United States, before us, it will be possible to indicate briefly how the Constitutions of the three British Unions of Colonies differ in this essential characteristic of the federal system.

In the case of Canada all powers not expressly vested in the Provincial Governments are conferred upon the Central (Dominion) Government; in the case of Australia, as in that of the United States, all powers not expressly vested in the Central (Commonwealth) Government remain in the State Governments; in the case of South Africa not only are all the powers not expressly vested in the Provincial Administrations granted to the Central (Union) Government, but the powers expressly and by implication conferred upon the Central Government are more full and complete than is the case in Canada. As the result of this difference, while in Australia the head of the State Government is a Governor appointed (as before) by the Crown, in Canada the Lieutenant-Governors of the Provinces, and in South Africa the Adminis-

trators of the Provinces, are both alike appointed by the Governor-General in Council (*i.e.*, by the Central Government).

In some other respects the South African Constitution presents certain special features: (1) The railways, ports, and harbours of the Union are placed under the control of a non-party board, and the method of administration is expressly laid down in the Act. They " shall be administered on business principles, due regard being had to agricultural and industrial development within the Union and promotion, by means of cheap transport, of the settlement of an agricultural and industrial population in the inland portions of all Provinces of the Union. So far as may be, the total earnings shall be not more than sufficient to meet the necessary outlays for working, maintenance, betterment, depreciation, and the payment of interest due on capital [actually borrowed for the construction of the railways, etc.]." (2) The " principle of proportional representation, each voter having one transferable vote," is introduced for the election of senators and of the Provincial Councils. (3) The basis for the apportionment of electoral power as between the four Provinces is " adult males," *i.e.*, virtually voters, and not population; and the seats in the House of Representatives are distributed within each Province on a basis of actual voters.

Representation of the States or Provinces in the Central Parliament.

The representation of the States or Provinces (originally Colonies) in the Upper House of the Central Legislature varies in the three Dominions. Under the Canadian Constitution the original Colonies were assigned a representation in the Senate roughly proportionate to their respective populations, and all senators are nominated by the Governor-General (*i.e.*, by the Dominion Government for the time being in office). At present the representation ranges from twenty-four senators in the case of (both) Ontario and Quebec Provinces to three in that of British Columbia. Under the Australian Constitution the States are represented as States on an equal basis; each of the six States sending six elective senators to the Senate. Under the South African Constitution each of the four Provinces is represented in the Senate by eight elective senators, while an additional eight senators "of whom one half shall be selected on the ground mainly of their thorough acquaintance, by reason of their official experience or otherwise, with the reasonable wants and wishes of the coloured races in South Africa," are nominated by the Governor-General from the Union as a whole.*

* This is important as a method of securing a limited degree of representation for a section of the population excluded from the franchise (except in the Cape Province). See Part II., Chap. II., § 2.

The Electoral Systems.

In all three Constitutions provision is made for the distribution of seats in the Lower House of the Central Legislature, as between the component parts of the Union of Colonies, on a strictly equitable basis, and for the automatic redistribution of these seats, when required by the movement of population as shown from time to time by the periodic census. In the case of Canada and Australia the basis of the proportionate equality of the distribution is that of total population; in South Africa, as noticed above, it is that of adult males—*i.e.*, virtually voters. Thus in Canada the total seats in the House of Commons are redistributed every ten years (after the census) upon a quota which is found by dividing the total population of Quebec Province by 65—this being the fixed number of seats to which Quebec is entitled. In other words, each Province is entitled to as many members as is the sum of its total population divided by this quota—*viz.*,

$$\frac{\text{Population of Quebec Province}}{65} = \text{the present quota, } 25{,}367.$$

Hence in each case:

$$\frac{\text{Population of Province}}{25{,}367} = \text{the number of its seats.}$$

In Australia the quota is found by dividing the population of the Commonwealth by approximately twice the number of Senators, *i.e.*,

$$\frac{\text{Population of Australia}}{75} = \text{the present quota (say) } 63{,}111\ ;$$

and each State is entitled, therefore, to as many seats as is the number of its population divided by this quota ; or

$$\frac{\text{Population of State}}{63{,}111} = \text{the number of its seats.}$$

In South Africa the quota was obtained by dividing the total number of European male adults in the Union by the total number of members of the House of Assembly as originally constituted—*i.e.*, 121 ; but in the allocation of seats for the first House of Assembly a departure was made from the strict numerical proportion, and, while the two lesser Provinces of Natal and the Free State received more than their due number of seats, the Cape Province was allotted only 51 seats instead of the 57 to which it was actually entitled. As, however, provision is made in the Union Constitution for the quinquennial redistribution of seats, and for the allotment of fresh seats up to the full number (150) of the House of Assembly, the proportionate distribution of seats, as between the several Provinces, will be secured at no distant date. The normal quota of the Union will then be :

$$\frac{\text{Total number of European male adults of the Union (virtually total of voters)}}{150} = \text{(say) } 3{,}500.$$

In Canada and Australia the distribution of the total number of seats assigned to any State or

Province among the inhabitants of the particular State or Province, is carried out by the State or Provincial Governments; but in South Africa the electoral divisions were originally formed, and are to be readjusted after each quinquennial census, by a commission of three judges of the Supreme Court, appointed by the Union Government.

In all three Constitutions, while the Central Legislature has power to lay down the qualifications of electors, pending the exercise of this power persons qualified to elect the members of the elective Chamber (or Chambers) in the several States or Provinces are deemed qualified to elect the members of the Lower House—and the Upper, if elective—of the Central Legislature. Up to the present time Australia alone has a uniform federal franchise. Here, under the Federal Franchise Act, 1902, all adult male and female British subjects, who have lived in Australia continuously for six months, are qualified to elect members of both Chambers of the Commonwealth Parliament; but aboriginal natives of Australia, Asia, Africa, and the Pacific Islands with the exception of New Zealand, are not allowed to vote unless they have acquired the right to vote for the Lower House of a State Parliament. In Canada and South Africa the qualifications of electors are regulated by the Provincial authorities (subject to the Constitution Acts); but while the various Provincial

franchises in both Dominions exhibit material differences (*e.g.*, in South Africa natives can obtain the franchise only in the Cape Province), broadly speaking, all adult European males, who have resided for a year or less in the Province, are qualified to vote for the election of the members of the Lower House of the Central Parliament.

It may be noted that the electoral systems of the Australian States exhibit many departures from the method of the simple majority vote. In the States of Victoria, Queensland, Western Australia, and Tasmania, systems of preferential voting, with a second ballot where necessary, are in force ; and in some cases voting by post and other devices have been tried. It must be remembered also that in this dominion already a direct appeal has been made to the federal electorate by referendum on more than one occasion, when alterations of the Constitution have been in question.

Payment of members in both the Central and Local Parliaments is almost universal throughout the Dominions.

The characteristics of the Central and Local Legislatures of the three federal Dominions are exhibited in the accompanying table.

—	Chamber.	No. of Members.
CANADA.		
Central Legislature :		
The Dominion Parliament.	Senate . . .	87
	House of Commons .	221
Local Legislatures :		
Provincial Legislatures of :		
Quebec	Legislative Council .	24
	Legislative Assembly.	81
Nova Scotia . . .	Legislative Council .	21
	Legislative Assembly.	38
The remaining seven Provinces.	Legislative Assembly.	Varies . . .
AUSTRALIA.		
Central Legislature :		
The Commonwealth Parliament.	Senate . . .	36
	House of Representatives.	75
Local Legislatures :		
State Legislatures in each of the six States.	Legislative Council .	Varies . . .
	Legislative Assembly.	Varies . . .
SOUTH AFRICA.		
Central Legislature :		
The Union Parliament .	Senate . . .	40
	House of Assembly .	Up to 150 . .
Local Legislatures :		
Provincial Councils in each of the four Provinces.	Council . . .	Equals the number of members of House of Assembly in each Province, but not less than 25.

How Created.	Term of Office.	Salary.
Nominated by Governor-General.	For life . . .	$2,500 per annum.
Elected on Federal quota (present) of 25,367 population.	Five years . .	Up to $2,500 per annum.
Nominated by Lt.-Governor-in-Council.	For life . .	$6 per day of session and travelling expenses.
Elected	Five years . .	
Appointed by Lt.-Governor .	For life . . .	$700 per session.
Elected	Five years . .	
Elected	Varies . . .	Varies.
Elected by the States voting as one electorate.	Six years (one half renewed every three years).	£600 per annum (except for Ministers).
Elected on Federal quota of *x* population.	Three years . .	
Varies	Varies . . .	Varies.
Elected	Varies . . .	
Partly nominated by Governor-General in Council, partly elected by Provincial Councils.	Ten years at present.	Maximum £400 per annum (except Ministers).
Elected on Union quota of *x* adult males, and provincial quota of *x* voters with a 15 per cent. variation.	Five years . .	
Elected by voters for House of Assembly.	Three years . .	As determined by Gov.-Gen. in Council.

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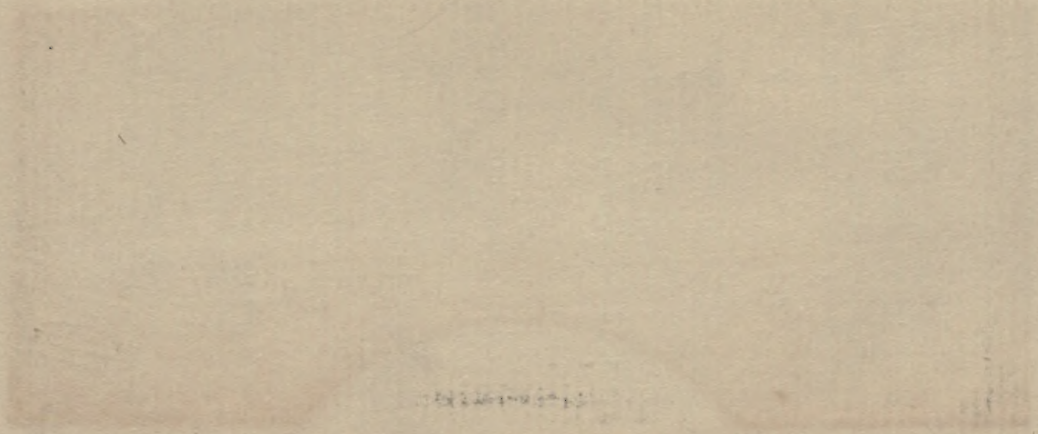

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